Transport Canada

2008-2009 Estimates
Report on Plans and Priorities

Minister of Transport, Infrastructure and Communities

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SECTION I – OVERVIEW

1.1 Minister's Message

As Canada's Minister of Transport, Infrastructure and Communities, I am pleased to present Transport Canada's 2008-2009 *Report on Plans and Priorities*, which outlines the department's corporate direction for the next three fiscal years.

Transport Canada is part of the Transport, Infrastructure and Communities portfolio, which supports a stronger economy, a cleaner environment and more prosperous, safer communities. A transportation system aligned with these goals is key to Canada's future success; an integrated approach to both policy and infrastructure decisions is the way forward.

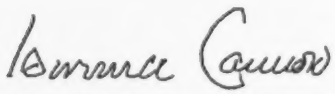
This government has demonstrated a tremendous commitment to ensuring a seamless flow of people, goods and services across our corridors and through gateways. Our commitment can be measured with an unprecedented $33 billion Building Canada Plan coupled with its three gateway and corridor initiatives, the Asia-Pacific Gateway and Corridor Initiative, the Ontario-Quebec Continental Gateway and Trade Corridor and the Atlantic Gateway.

Transport Canada continues to develop policy and legislative frameworks aimed at improving transportation services through rules that foster competition, innovation and effective service for users. As an example, work will continue to finalize amendments to the *Canada Marine Act*, which will strengthen governance and provide Canada Port Authorities enhanced flexibility to respond to economic opportunities more quickly.

The traditional approach to safety and security of our transportation system is evolving into a more comprehensive approach of formal frameworks designed to integrate safety and security into the daily operations of transportation enterprises. Transport Canada will continue to work in partnership with industry to streamline regulations and implement safety and security management systems. The Department will also advance on a number of key security initiatives, including Air Cargo Security, implementing the *CATSA Act* Review Panel's Recommendations, the Marine Security Contribution Program and the Transit-Secure Program.

We must take a comprehensive view of our transportation system and be mindful of its environmental impacts. With the launch of key initiatives such as the ecoTRANSPORT Strategy, this Government is providing real leadership in fostering clean transportation. Recognizing the need to go beyond voluntary approaches to enforceable standards, on January 17, 2008, I announced consultations will begin on the country's first motor vehicle fuel consumption regulations for light duty vehicles. With these necessary steps, the government is moving forward to tackle emissions and other environmental impacts from the transportation sector.

As we look to the future and the challenges that lie ahead, Transport Canada is resolute in supporting and developing a transportation system that enhances our prosperity, security, safety, environment and our quality of life.



The Honourable Lawrence Cannon, P.C., M.P.
Minister of Transport, Infrastructure and Communities

1.2 Management Representation Statement

I submit for tabling in Parliament, the *2008-2009 Report on Plans and Priorities* (RPP) for **TRANSPORT CANADA.**

This document has been prepared based on the reporting principles contained in the *Guide to the Preparation of Part III of the 2008-2009 Estimates: Reports on Plans and Priorities and Departmental Performance Reports.*

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's Strategic Outcomes and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved planned spending numbers from the Treasury Board of Canada Secretariat.

Name: Louis Ranger
Title: Deputy Minister of Transport, Infrastructure and Communities

1.3 Departmental Overview

1.3.1 Raison d'être

Transport Canada is responsible for the transportation policies and programs set by the Government of Canada. The department works to ensure that all parts of the transportation system work effectively and in an integrated manner.

OUR VISION

A transportation system in Canada that is recognized worldwide as safe and secure, efficient and environmentally responsible

Our vision of a sustainable transportation system — one that integrates and finds the right balance among social, economic and environmental objectives — is guided by the following principles:

- Highest practicable safety and security of life and property — guided by performance-based standards and regulations when necessary;
- Efficient movement of people and goods to support economic prosperity and a sustainable quality of life — based on competitive markets and targeted use of regulation and government funding; and
- Respect for the environmental legacy of future generations of Canadians — guided by environmental assessment and planning processes in transportation decisions and selective use of regulation and government funding.

OUR MISSION

To serve the public interest through the promotion of a safe and secure, efficient and environmentally responsible transportation system in Canada

To succeed in its mission, Transport Canada is committed to being a world-leading organization that:

- Develops and implements effective policies, programs, and legislative and regulatory frameworks;
- Works in partnership with other governments, industry and stakeholders;
- Is recognized as a progressive, effective and accountable organization; and
- Sustains a healthy and productive work environment that values professional excellence, teamwork, open communication, diversity, continuous learning and mutual respect.

LEGISLATIVE MANDATE

In Canada, all three levels of government have some responsibility for the country's transportation system. In support of its *Vision* and *Mission*, Transport Canada delivers its programs and services under numerous legislative and constitutional authorities.

Some of the legislation governing Transport Canada:

- *Department of Transport Act*
- *Canada Transportation Act*
- *Aeronautics Act*
- *Canada Marine Act*
- *Canada Shipping Act, 2001*
- *Arctic Waters Pollution Prevention Act*
- *Pilotage Act*
- *Navigable Waters Protection Act*
- *Railway Safety Act*
- *Transportation of Dangerous Goods Act, 1992*
- *Motor Vehicle Safety Act*
- *Canadian Air Transport Security Authority Act*
- *Marine Transportation Security Act*
- *Safe Containers Convention Act*
- *Public Safety Act, 2000*
- *International Bridges and Tunnels Act*

1.3.2 Transition: Governance, Planning and Reporting

The Treasury Board Secretariat Management Resources and Results Structures (MRRS) Policy objectives include establishing a government-wide approach to the collection, management and public reporting of performance information. The department has realized that its current Program Activity Architecture (PAA) is not allowing it to benefit fully from the MRRS Policy objectives. Therefore, Transport Canada will embark on the renewal of its PAA to strengthen its ability to allocate resources, monitor results achieved and realign spending to the highest priority programs in support of Government of Canada priorities. The PAA re-design along with a new Performance Management Framework will be completed during the 2008-2009 fiscal year and will serve as the architecture upon which to base the 2009-2010 planning cycle.

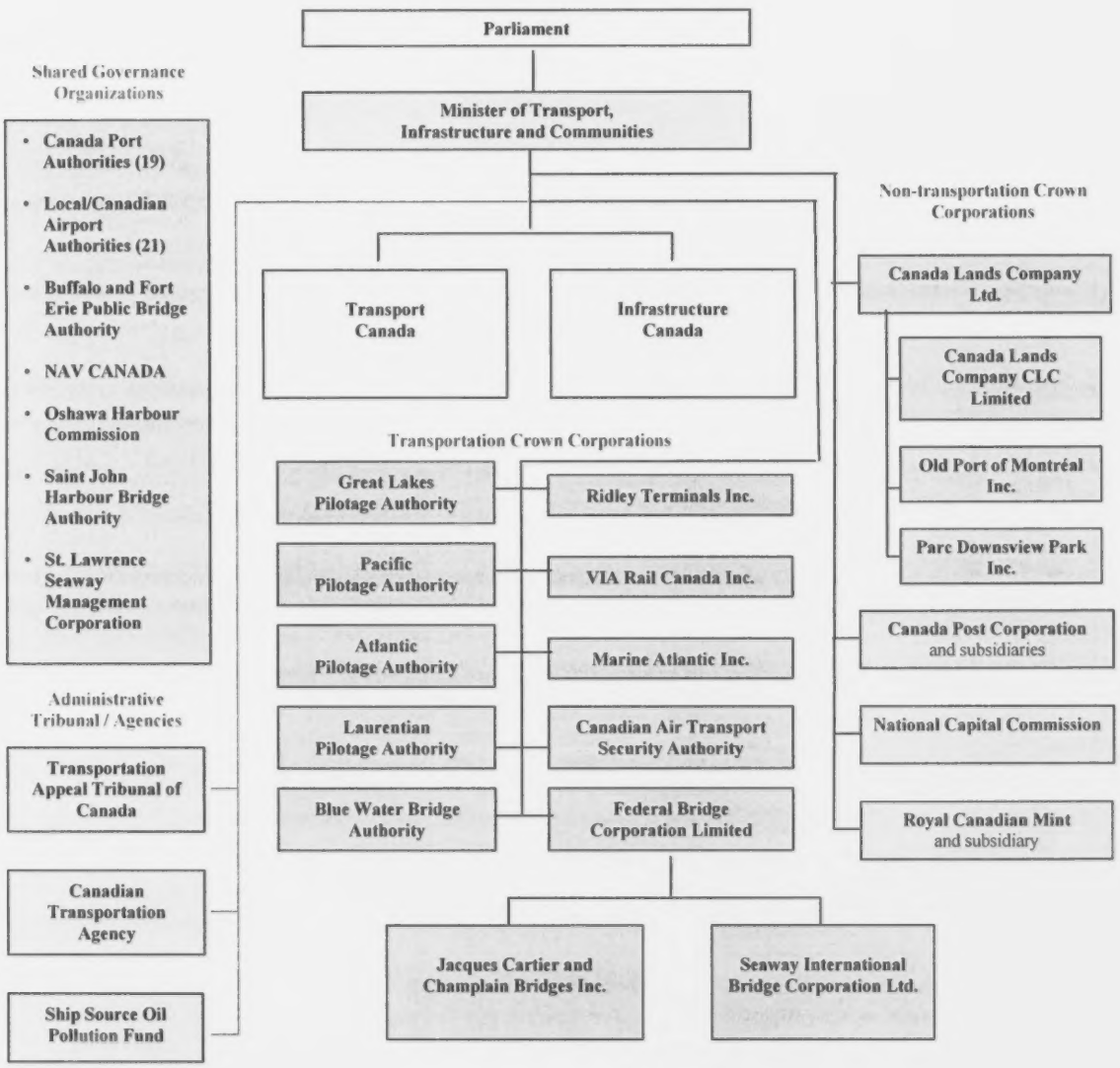
Understanding that a solid PAA is the backbone to effective planning and reporting, the department is also focusing on strengthening its Business Planning function to be results-based and ensure that pertinent and timely information is available in an integrated and efficient manner so that horizontal linkages across the organization are more easily identified.

In 2007, Transport Canada conducted an in-depth review of the funding, relevance and performance of all its programs and spending to ensure results and value for money, from programs that are a priority for Canadians. The results of this Strategic Review were submitted to Treasury Board last fall, for subsequent review by Cabinet. The results of this Review will be reflected in future reporting to Parliament.

1.3.3 Transport, Infrastructure and Communities Portfolio

Since the Portfolio was established in February 2006, steps have been taken to maximize synergies and increase coordination of activities. Since August 2006, the Portfolio has been managed by a single deputy minister. A joint committee of the two departments was also established to support the Government of Canada's new Building Canada Plan. This committee is key to integrating the Portfolio's components, and will continue its work over the coming year. Measures will be taken to bring together expertise in support of efforts that are now more integrated.

TRANSPORT, INFRASTRUCTURE AND COMMUNITIES PORTFOLIO



The new portfolio is a response to many of the challenges facing Canada, notably the modernization of public infrastructure, environmental viability, and sustainable growth. These challenges are priorities for the Government of Canada and will continue to guide much of the Portfolio's work.

As a nation whose exports are so critical to economic growth and prosperity, the infrastructure that provides gateways to foreign markets is especially important to Canada. Significant commitments for federal investments in transportation and other infrastructure were made in Budget 2007, and later reinforced in *the Speech from the Throne* with a commitment to establish a plan to make funding frameworks long-term and predictable.

The TIC Portfolio is also moving forward on measures and actions in the areas of:

Sustainable infrastructure – Continuing to work towards fully implementing *Building Canada* -- the Government of Canada's new infrastructure plan that commits an unprecedented $33 billion over seven years for long-term, stable and predictable federal funding for infrastructure;

Gateways and trade corridors – Implementing the Asia-Pacific Gateway and Corridor Initiative, the National Framework for Gateways and Trade Corridors, the Gateways and Border Crossings Fund, and Memoranda of Understanding with the Ontario and Quebec provincial governments on the Ontario-Quebec Continental Gateway and Trade Corridor and with the four Atlantic Provinces on an Atlantic Gateway;

Strong communities – Implementing initiatives under the ecoTRANSPORT Strategy in support of a clean environment and an enhanced quality of life; and,

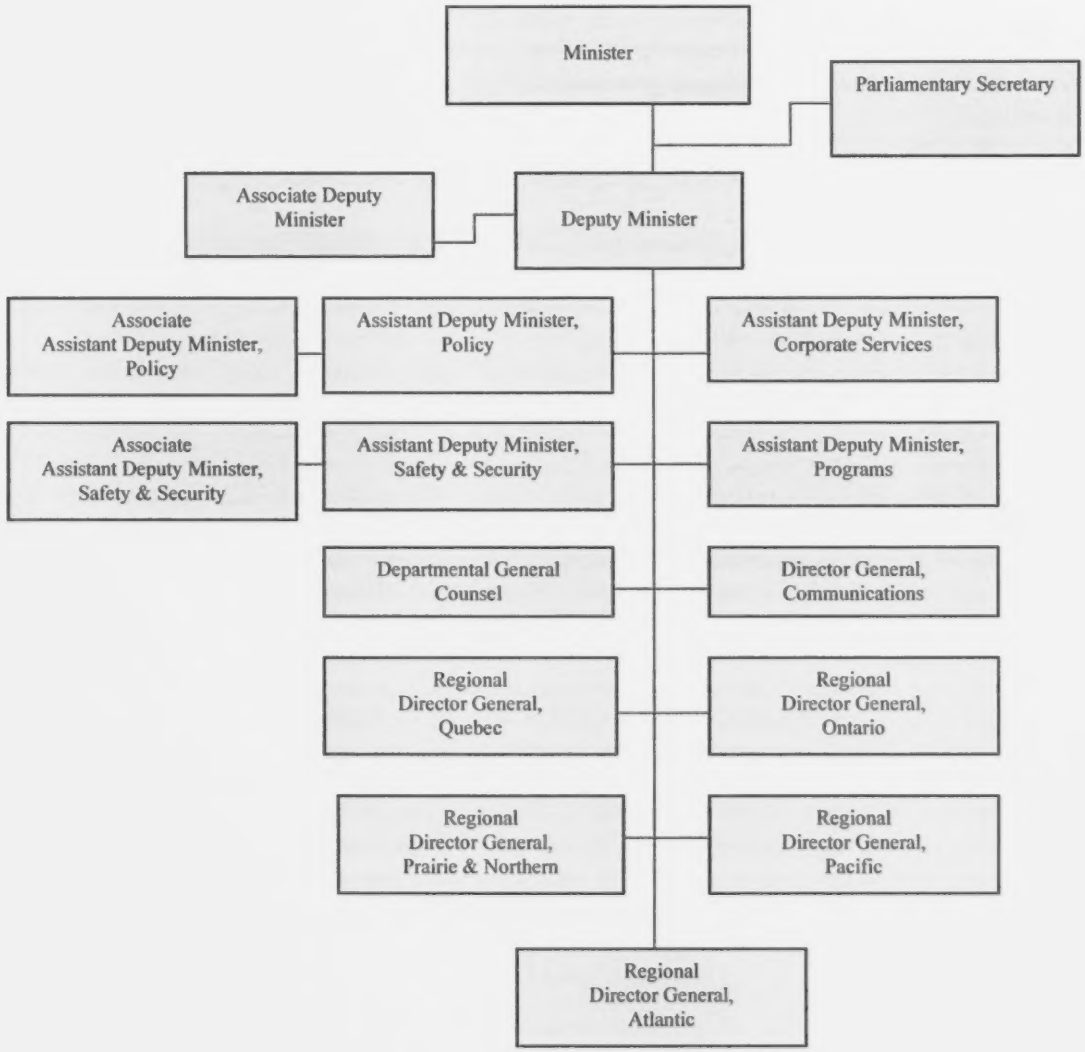
Transportation security – Continuing to strengthen Canada's transportation security regime through various enhancements and government-wide initiatives such as Air Cargo Security, implementing the *Canadian Air Transport Security Authority Act (CATSA Act)* Review Panel's Recommendations, the Aviation Security Regulatory Review, the Passenger Protect Program, the Marine Security Initiatives and the Transit-Secure Program, in collaboration with other federal government departments, other countries and international organizations, labour organizations, industry and other stakeholders.

The TIC portfolio will work with the provinces, territories, municipalities and others to increase the capacity, efficiency and environmental sustainability of our transportation system and to renew public infrastructure, these being key components of community development.

1.3.4 Organization Information

At Transport Canada headquarters, four Assistant Deputy Ministers — Policy, Programs, Corporate Services, Safety and Security — and an Associate Deputy Minister report to the Deputy Minister, in addition to Corporate Management, comprised of the Communications Group and Departmental General Counsel. Five Regional Directors General — Atlantic, Quebec, Ontario, Prairie and Northern, and Pacific — also report directly to the Deputy Minister. Each of these organizational heads is accountable for the management of his/her organization and for the delivery of results associated to the program activities as set out in the Program Activity Architecture.

DEPARTMENTAL ORGANIZATION CHART



1.3.5 Program Activity Architecture (PAA) Crosswalk

2008–2009			
($ thousands)	**Transportation Policy Development and Infrastructure Programs**	**Transportation Safety and Security**	**Sustainable Transportation Development and the Environment**
Policies, Programs and Infrastructure in support of a market-based framework	521,681		
Policies, Rulemaking, Monitoring and Outreach in support of a safe and secure transportation system		612,696	
Policies and Programs in support of Sustainable Development			201,931

Transport Canada modified the program activity titles only. This change has no impact on financial resources allocated to each program activity.

1.3.6 Voted and Statutory Items listed in Main Estimates

2008-2009			
Vote or Statutory Item	Truncated vote or Statutory Wording	**Main Estimates 2008-2009** ($ thousands)	Main Estimates 2007-2008 ($ thousands)
1	Operating expenditures[1]	**315,257**	318,413
5	Capital expenditures	**78,248**	73,260
10	Grants and contributions	**471,691**	313,145
(S)	Minister of Transport, Infrastructure and Communities — salary and motor car allowance	**76**	75
(S)	Payments to Canadian National Railway Company in respect of the termination of the collection of tolls on the Victoria Bridge, Montreal and for the rehabilitation work on the roadway portion of the Bridge	**3,300**	3,300
(S)	Contributions to employee benefit plans	**66,965**	68,658
(S)	Payments in respect of St. Lawrence Seaway agreements	**41,900**	26,900
(S)	Northumberland Strait Crossing subsidy payment	**54,897**	55,276
	Total Department	**1,032,334**	859,027

Due to rounding, columns may not add to total shown.

(S): Statutory

[1] Transport Canada receives funding from the Search and Rescue New Initiatives Fund administered by the National Search and Rescue Secretariat to manage programs that contribute to search and rescue in Canada. This funding will total $207,752 in 2008-2009.

1.3.7 Departmental Planned Spending and Full Time Equivalents

($ thousands)	Forecast Spending 2007-2008[1]	**Planned Spending 2008-2009[2]**	Planned Spending 2009-2010	Planned Spending 2010-2011
• Transportation Policy Development and Infrastructure Programs	373,872	**513,321**	420,266	413,493
• Transportation Safety and Security	592,623	**662,534**	578,251	542,600
• Sustainable Transportation Development and the Environment	160,238	**202,079**	82,789	65,199
Budgetary main estimates (gross)	1,126,734	**1,377,934**	1,081,306	1,021,292
Less: Respendable revenue [3]	373,066	**345,600**	331,930	350,282
Total Main Estimates	753,668	**1,032,334**	749,376	671,010
Adjustments:				
Transportation Policy Development and Infrastructure Programs				
• Quebec Rail Bridge	-	**10,000**	5,000	5,000
• Economic Policy Framework for Airports in Canada – to fund costs of appeals for CTA	-	**(375)**	(375)	(375)
• Mountain Pine Beetle – Supporting Transportation Infrastructure	-	**44,000**	-	-
• New Architecture for Infrastructure Support – Gateways and Border Crossing Funds	-	**224,135**	348,949	400,949
• Asia Pacific Gateway Corridor Initiative	-	**9,714**	142,264	93,364
• Windsor Border Team	-	**4,531**	3,541	-
• Communities – Strategic Infrastructure – Budget 2003. Nova Scotia Highway	-	**45**	45	45
• Communities – Strategic Infrastructure – Budget 2003.Brampton BRT	-	**130**	125	125
• Communities – Strategic Infrastructure – Budget 2003. Mississauga BRT	-	**56**	48	46
• Capital Carryforward (December 2007)	-	**3,663**	-	-
• Divestiture of Mirabel Airport Lands	-	**8,075**	2,842	-
Total Adjustments	-	**303,974**	502,439	499,154
Total Planned Spending	753,668	**1,336,308**	1,251,815	1,170,164
Total Planned Spending				
Less : Non-Respendable revenue[3]	33,960	**33,960**	33,960	33,960
Plus: Cost of services received without charge[4]	65,362	**66,585**	62,226	61,898
Total Departmental Spending	785,070	**1,368,933**	1,280,081	1,198,102
Full Time Equivalents	5,110	**5,155**	5,035	4,999

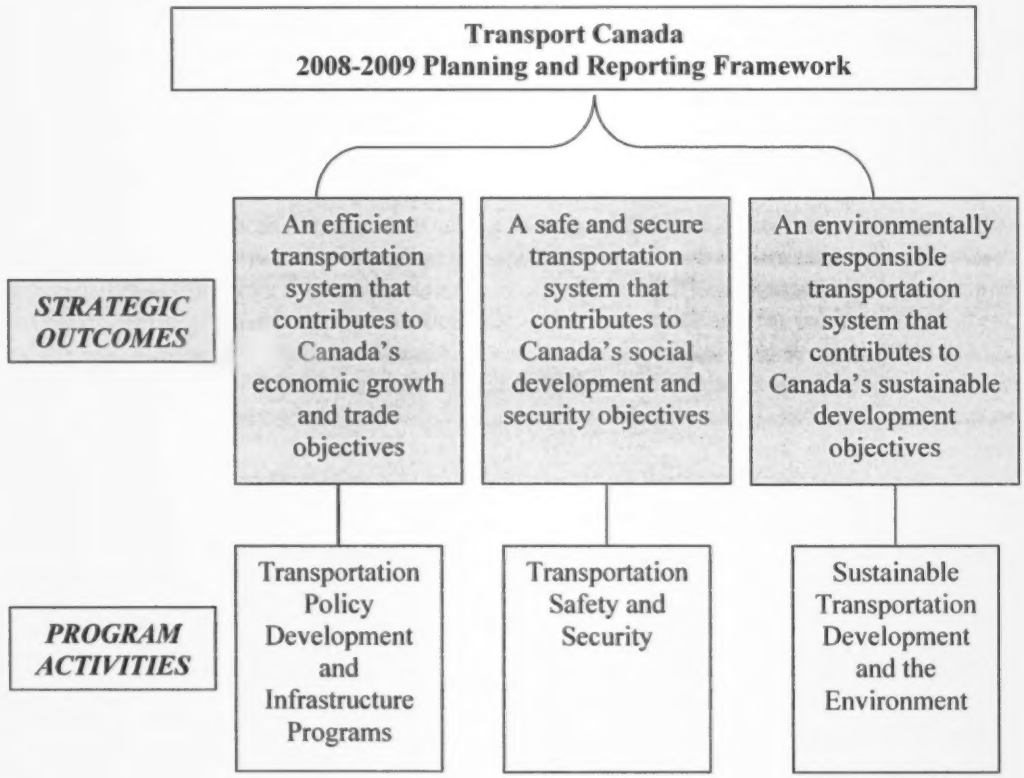
Due to rounding, columns may not add to total shown.

The decrease in the planned spending over the three-year period is mainly due to the fact that many new initiatives and changes to on-going programs are planned to occur in the 2008-2009 fiscal year with less impact in the following two years. New initiatives include: ecoAUTO Rebate Program, ecoTRANSPORT Strategy initiatives and the implementation of the Health of Oceans program. Offsetting these new initiatives are the following programs or contributions which are winding down: the Strategic Highway Infrastructure Program, Marine Security Contribution Program, the Passenger Rail and Urban Transit Security and contribution agreement between the Government of Quebec and the National Capital Commission for certain Outaouais roads.

1. *Reflects best forecast of planned spending to the end of the fiscal year based on actual information at December 31, 2007.*
2. *The planned spending amounts represent the sum of the Main Estimates and the adjustments planned for each fiscal year.*
3. *For more details, refer to Electronic Tables- Sources of Respendable and Non-Respendable Revenue at http://www.tbs-sct.gc.ca/est-pre/20082009/p3a_e.asp.*
4. *For more details, refer to Electronic Tables – Services Received Without Charge at http://www.tbs-sct.gc.ca/est-pre/20082009/p3a_e.asp.*

1.3.8 Summary Information

Transport Canada is committed to delivering results to Canadians and has established three strategic outcomes that support the federal government's overall agenda:



Transport Canada is largely funded from the operating vote, with authority to spend revenue received during the year. Some of the department's programs are managed through grants and contributions. Transport Canada is held to the terms and conditions set out in each individual grant or contribution. The department also manages capital investments in accordance with an approved Long-Term Investment Plan.

Financial Resources ($ thousands)

2008-2009	2009-2010	2010-2011
1,336,308	1,251,815	1,170,164

Human Resources (Full time equivalents)

2008-2009	2009-2010	2010-2011
5,155	5,035	4,999

Departmental Program Priorities

Name	Type
Market-based policy framework	Ongoing
Infrastructure, gateways and trade corridors	Ongoing
Innovation	Ongoing
Strengthened security policies and programs	Ongoing
Streamlined regulations	Ongoing
Safety and security management systems	Ongoing
Climate change and clean air	Ongoing
Environmental assessment	Ongoing

1.3.9 Program Activity by Strategic Outcome

Strategic Outcome: **An efficient transportation system that contributes to Canada's economic growth and trade objectives**					
		Planned Spending ($ thousands)			**Contributes to the following priorities**
Program Activity	**Expected Results**	**2008-2009**	**2009-2010**	**2010-2011**	
Transportation Policy Development and Infrastructure Programs	• Long-term sustainable funding and accountability framework for transportation infrastructure • Strengthened Canadian competitiveness in international markets • Legislative and policy frameworks that support free market forces with government intervention targeted to situations where market forces are insufficient	521,681	640,304	612,404	• Market-based policy framework • Infrastructure, gateways and trade corridors • Innovation • Climate change and clean air
Strategic Outcome: **A safe and secure transportation system that contributes to Canada's social development and security objectives**					
Transportation Safety and Security	• Continuous improvement in transportation safety and security • Public confidence in Canadian transportation safety and security	612,696	528,769	492,648	• Safety and security management systems • Streamlined regulations • Strengthened security policies and programs
Strategic Outcome: **An environmentally responsible transportation system that contributes to Canada's sustainable development objectives**					
Sustainable Transportation Development and the Environment	• Increased environmental sustainability of Canada's transportation system and Transport Canada operations	201,931	82,742	65,112	• Climate change and clean air • Environmental assessment

1.4 Departmental Plans and Priorities

1.4.1 Program Priorities

Transport Canada's vision of a sustainable transportation system — one that integrates and seeks the correct balance among social, economic and environmental objectives — is based on three strategic outcomes: an efficient transportation system that contributes to Canada's economic growth and trade objectives; a safe and secure transportation system that contributes to Canada's social development and security objectives; and an environmentally responsible transportation system that contributes to Canada's sustainable development objectives.

These strategic outcomes are articulated in the following eight program priorities:

- Market-based policy framework
- Infrastructure, gateways and trade corridors
- Innovation
- Strengthened security policies and programs
- Streamlined regulations
- Safety and security management systems
- Climate change and clean air
- Environmental assessment

The market-based policy framework, infrastructure, gateways and trade corridors and innovation programs contribute significantly to 4 of the 13 Government of Canada strategic outcomes, namely *A Prosperous Canada through Global Commerce*, *Strong Economic Growth*, *Fair and secure marketplace*, and *An innovative and knowledge-based economy*.

Transport Canada continues to develop policy and legislative frameworks with the purpose of continued improvement of transportation services through rules that allow transportation activities to adapt, innovate, remain competitive and serves the public. As an example, work continues on a new Canada Airports Act aimed at strengthening governance, transparency and accountability at the major Canadian airports.

Canada's strong economic growth and competitive success in the global marketplace, relies on a modern, integrated and efficient transportation system. Transport Canada is responsible for the implementation of the Gateways and Border Crossings Fund and the Asia-Pacific Gateway and Corridor Initiative, components of the $33 billion Building Canada Plan. In addition, Transport

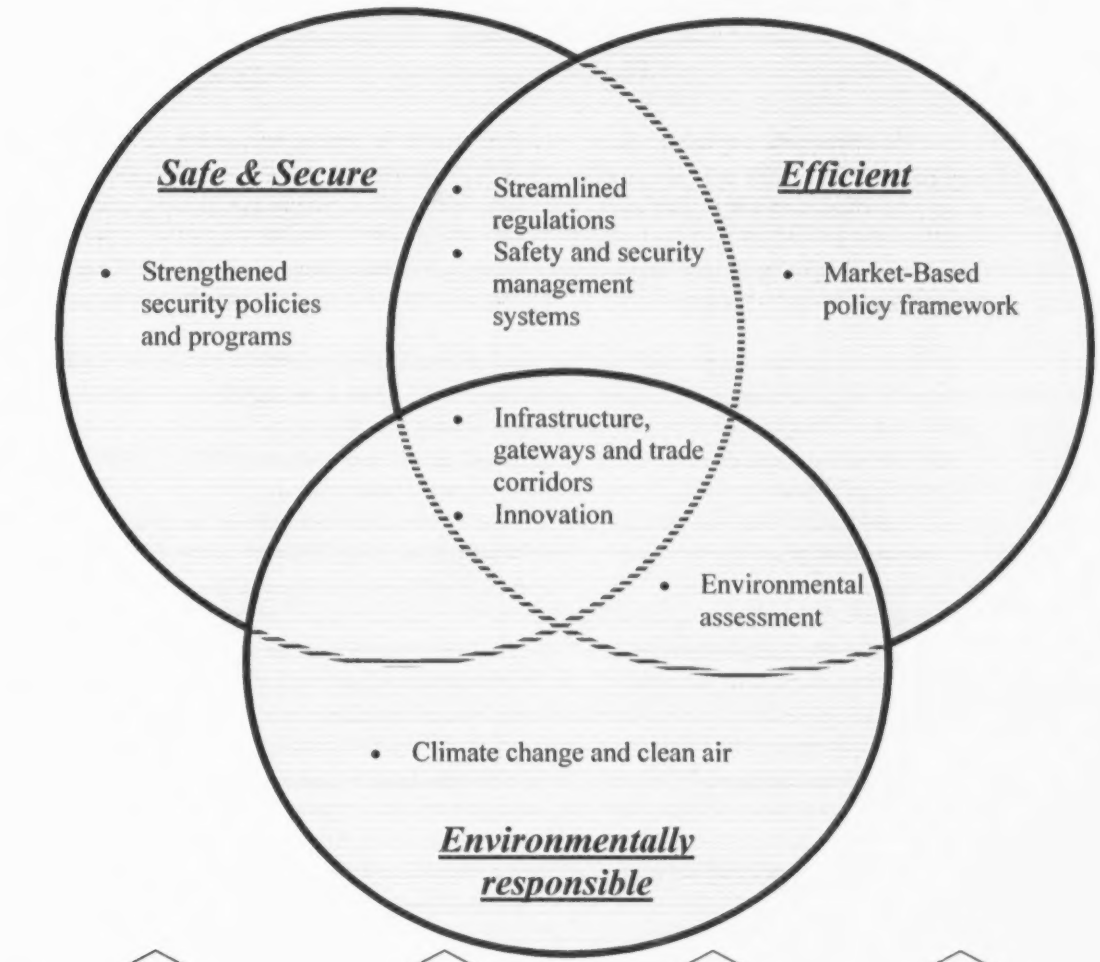
will work closely with Infrastructure Canada on the implementation of the transportation components of the Building Canada Fund and the Provincial/Territorial Base Funding Initiative.

Innovation is key to Transport Canada's objectives and, in particular, to reconciling the three strategic outcomes of the Department's vision of a sustainable transportation system by providing a foundation of knowledge and technology to support enhanced system performance. Moreover, Transport Canada will continue to accelerate research, development, deployment and integration of Intelligent Transportation Systems.

The *Transportation Safety and Security* Program encompasses policies, rulemaking, monitoring and enforcement, and outreach in support of a safe, secure and environmentally responsible transportation system. For the 2008-2009 planning horizon, the focus is on three priorities: strengthened security policies and programs that address emerging issues in the security environment of Canadian and international transportation; streamlined regulations that support the Government's commitment to protect and advance the public interest through a more effective, efficient and accountable regulatory system; and safety and security management systems (SMS/SeMS) that are designed to effect a cultural shift toward systematic understanding and management of risk and threats for both industry and Transport Canada.

Sustainable Transportation Development and the Environment seeks to increase the environmental sustainability of Canada's transportation system and Transport Canada operations. It also aims to increase awareness and encourage Canadians to make more sustainable transportation choices. The contribution programs are complex and managed through a risk-based approach, with effective monitoring and ongoing review. The priorities of climate change and clean air and environmental assessment contribute to the achievement of an environmentally responsible transportation system that contributes to Canada's sustainable development objectives. Climate change and clean air priorities include policies and programs designed to reduce greenhouse gas emissions, and improve air quality by addressing smog, particulate matter and other air pollution issues that adversely affect the health of Canadians. Environmental assessment ensure that departmental policies, programs and projects take environmental impacts into consideration at the planning stage.

As depicted in the diagram below, departmental program activities support the eight program priorities that, in an integrated manner, support more than one strategic outcome[2].



Program activities		
Transportation Safety and Security	**Transportation Policy Development and Infrastructure Programs**	**Sustainable Transportation Development and the Environment**

[2] Safe & Secure – A safe and secure transportation system that contributes to Canada's social development and security objectives
Efficient – An efficient transportation system that contributes to Canada's economic growth and trade objectives
Environmentally responsible – An environmentally responsible transportation system that contributes to Canada's sustainable development objectives

1.4.2 Management Priorities

Transport Canada's management priorities have been developed in the context of two key considerations: the completion of commitments made in the previous *Report on Plans and Priorities*, and internal and external assessments using the Management Accountability Framework elements for the identification of opportunities to improve the management practices within the department.

Management priorities for 2008-2009 will build on past achievements and will continue to strengthen management capacity in the areas of people, values and ethics, governance and stewardship.

People

During the past year, Transport Canada has realized many successes from its initial implementation of the *Public Service Modernization Act*. As a result, in 2008-2009, there will be department wide educational endeavours leading to greater emphasis on corporate and interdepartmental proactive staffing solutions. In addition, Transport Canada's ongoing support to the Clerk of the Privy Council's *Public Service Renewal Action Plan* will be recognized through enhanced post-secondary recruitment commitments, increased learning/development and retention efforts, especially within professional and technical occupations. Strengthening Human Resources (HR) infrastructure through the development and rollout of numerous enabling tools, HR community capacity building and improving departmental recognition programs, will also be targeted.

Improvement to Transport Canada's learning system infrastructure will result in the integration of legacy systems, and will also facilitate the management of learning plans including the ability to track completion rates and improve the correlation between planned and actual training.

Significant progress has resulted from the preparation of consistent HR plans within each directorate and region. In 2007-2008, the department completed an integrated Transport Canada HR Plan. This Plan will further identify the corporate issues across the organization, introduce a learning management strategy, and permit integration of business goals in 2008-2009 for proactive staffing plans, learning plans and organizational change strategies within the Regions and Groups. Further improvements to the Human Resource Management Information System will result in more effective processes and the ability to effectively implement HR Plans.

The department will ensure that linguistic duality is well respected in Transport Canada in order to continue to offer Canadians high quality services in the language of their choice and to strengthen leadership (among executives, managers and supervisors) to promote the use of both official languages in bilingual regions.

Diversity will remain a priority at Transport Canada for 2008-2009. A new three-year action plan (2007- 2010) was implemented in 2007-08. This plan will move towards the integration of other important themes (official languages, values and ethics, etc.) leading to corporate culture of

true inclusion and integration. This assimilation will be pursued through a People Management Conference in the Fall 2008, aimed at middle managers. This conference will focus on tools and information for managers to meet their HR responsibilities in areas such as Diversity, Official Languages, Learning, Values and Ethics.

Performance Indicators

- An enhanced HR Results Measurement Framework that accurately captures expected results and actual results achieved
- Increased departmental focus on people with enhanced corporate measurement and reporting support
- Progress made against initiatives in the new Diversity Action Plan

Values and Ethics

Having put in place a governance structure for Values and Ethics in 2007-2008, Transport Canada will intensify and expand this initiative in 2008, to ensure that the Public Service Values and Ethics are integrated into management practices and are reflected in employee behaviour and the department's organizational culture. The department will extensively promote a new one-stop approach to the provision of values and ethics advisory services and develop and introduce a Values and Ethics Awareness and Learning Strategy.

Transport Canada will initiate work on the development of a Transport Canada Code of Conduct. This internal Code of Conduct will be built and inspired by the future Public Service Code of Conduct and will also address the inherent values and ethics issues that are unique to Transport Canada.

With the coming into force across the public sector of the *Public Servants Disclosure Protection Act* (PSDPA) as amended by the *Federal Accountability Act*, Transport Canada will ensure that employees become familiar with the new legislation, its objectives and the protection it affords employees. Continuing close collaboration with the Canada Public Service Agency (CPSA), Transport Canada will ensure employees are aware of their rights and responsibilities under the PSDPA by disseminating communication materials, participating in information sessions and encouraging participation in CPSA sponsored online courses to be offered by the Canada School of Public Service.

By the end of fiscal year 2008-2009, Transport Canada expects to strengthen its oversight capacity in values and ethics and to establish the department's values and ethics priorities.

Performance Indicators

- *A work plan and initial consultations for the development of an internal Code of Conduct for Transport Canada.*
- *Progress towards integrating Public Service Values and Ethics into management practices*
- *Progress towards the introduction of a Value and Ethics Awareness and Learning Strategy*

Governance and Stewardship

As previously mentioned, fiscal year 2008-2009 will be a year of transition due to the Program Activity Architecture re-design, Integrated Planning initiative and implementation of Strategic Review decisions. Transport Canada will assess results based on the following performance indicators.

Performance Indicators
• *A Program Activity Architecture, which clearly articulates key departmental programs that support attainment of its Strategic Outcomes and align to the Government of Canada priorities* • *An enhanced Performance Measurement Framework that accurately captures the department's Program Activity's expected results and actual results achieved* • *A strengthened planning and reporting function that supports effective decision-making, priority setting and resource allocation at all levels*

1.4.3. Our Co-delivery Partners

Transport Canada works in cooperation with hundreds of other organizations with an interest in transportation issues.

Other federal organizations — whose programs and services may be affected by transportation activities. For example: Agriculture and Agri-Food Canada, Canada Border Services Agency, Canadian Environmental Assessment Agency, Canadian Food Inspection Agency, Canada Port Authorities, Canadian Air Transport Security Authority, Canadian Nuclear Safety Commission, Canadian Security Intelligence Service, Canadian Transportation Agency, Transportation Appeal Tribunal of Canada, Environment Canada, Fisheries and Oceans Canada/Canadian Coast Guard, Foreign Affairs and International Trade, Health Canada, Indian and Northern Affairs Canada, Industry Canada (e.g. Competition Bureau), Infrastructure Canada, Justice Canada, National Defence, National Energy Board, National Research Council of Canada, Natural Resources Canada, Pilotage authorities, Public Safety Canada, Public Works and Government Services Canada, Royal Canadian Mounted Police, Services Canada, Transportation Safety Board and Western Economic Diversification Canada.

Provincial, territorial and municipal governments — particularly investments in infrastructure, the development of urban transportation systems, the development of strategic gateway and trade corridor strategies and promotion and enforcement of road safety and recreational boating, as well as the co-delivery of the Transportation of Dangerous Goods program.

Academic Institutions – Canadian universities, colleges and training institutions involved in policy research, research and development (R&D), training and education programs to build Canada's R&D knowledge base and functional and operational capacity with respect to transportation.

Transportation sector industries — all of which count on the fair application of regulations and the development of policies to enhance the safety, security, efficiency and environmental

responsibility of the transportation system. For example: air carriers (e.g. Air Canada, WestJet), airports, trucking and bus companies, Algoma Central Marine, Canadian National Railway Company, Canada Steamship Lines, Canadian Pacific Rail Company, NAV CANADA, Shipping Federation of Canada, Canada's oil spill response organizations regional advisory councils, railway operators, urban transit operators and VIA Rail.

Agencies and associations — with a vested interest in the transportation infrastructure, regulatory regime, safety and labour force issues. For example: Air Transport Association of Canada, Association du transport urbain du Québec, Association of Canadian Port Authorities, Association of International Automobile Manufacturers of Canada, Association of Regional Railways of Canada, Association québécoise de transport et des routes, BC Chamber of Commerce, Canada Safety Council, Canadian Association of Fire Chiefs Inc., Canadian Association of Petroleum Producers, Canadian Airports Council, Canadian Bus Association, Canadian Business Aviation Association, Canadian Chemical Producers' Association, Canadian Council of Motor Transport Administrators, Canadian Ferry Operators Association, Canadian Manufacturers of Aviation Equipment, Canadian Marine Advisory Council, Canadian Marine Manufacturers Association, Canadian Maritime Law Association, Canadian Owners and Pilots Association, Canadian Ship Owners Association, Canadian State Air Operators Association, Canadian Transportation Accident Investigation and Safety Board of Canada, Canadian Trucking Alliance, Canadian Urban Transit Association, Canadian Vehicle Manufacturers Association, Chamber of Maritime Commerce, Council of Marine Carriers, CP Rail, Federation of Canadian Municipalities, Intelligent Transportation Systems Society of Canada, Operation Lifesaver, Railway Association of Canada, Shipping Federation of Canada, St. Lawrence Economic Development Council, St. Lawrence Ship-operators Association, Standards Council of Canada, Transportation Appeal Tribunal of Canada, Transportation Association of Canada, Transportation of Dangerous Goods General Policy Advisory Council, Vehicle Manufacturers Associations and Unions, Western Transportation Advisory Council and various transportation sector councils.

International organizations — to share information and harmonize transportation regulations. For example: American Public Transportation Association, Arctic Council, Asia-Pacific Economic Co-operation, Centre de documentation de recherche et d'expérimentations sur les pollutions accidentelles des eaux (Cedre) France, European Conference of Ministers of Transport/International Transportation Forum, European Joint Airworthiness Authorities, Group of Eight (G8), International Air Transport Association, International Atomic Energy Agency, International Transportation Forum, International Civil Aviation Organization, International Labour Organization, International Maritime Organization, International Oil Pollution Compensation Fund, International Working Group on Land Transport Security, North American Aviation Trilateral, North Atlantic Treaty Organisation, Organization for Economic Cooperation and Development, Organization of American States, United Nations (UN) Sub-committee of Experts on the Transport of Dangerous Goods, UN Economic Commission of Europe Global World Forum for Harmonization of Vehicle Regulations, UN Commission on International Trade Law, European Civil Aviation Conference, World Trade Organization, and the World Health Organization.

Other governments — to advance bilateral interests with counterparts in other countries including a number of US federal agencies. For example: National Highway Traffic Safety Administration, U.S. Federal Aviation Administration, U.S. Federal Emergency Management Agency, U.S. Federal Highway Administration, U.S. Federal Railway Administration and U.S. Transportation Security Administration.

1.4.4 Challenges and Opportunities

Transportation has always been synonymous with opportunity in Canada - connecting workers with jobs; products with markets; and travelers with destinations. As a small, open economy, dependent on trade, Canada's future success will be determined in large measure by our ability to move goods and people reliably and efficiently along global supply chains. While the US remains Canada's largest trading partner, emerging economies in China, India and Southeast Asia now represent significant opportunities for Canadian products and services.

To maximize the efficiency and productivity of the national transportation system, the Government of Canada needs to take a comprehensive, integrated systems approach that would combine innovative policies with new sources of targeted funding. One of the most significant and concrete examples of how the Government of Canada is implementing such an approach to transportation is the Asia-Pacific Gateway and Corridor Initiative. This initiative is comprised of integrated investment and policy measures to advance the capacity and efficiency of the Asia-Pacific Gateway and Corridor, and Canada's ability to benefit from 21st century realities such as China's rapid economic growth.

The necessary "systems" approach requires federal leadership. A new generation of framework policies can bring a coherent approach to interconnected investment, policy, regulatory and legislative issues, and ensure that these various instruments are deployed in ways that are mutually reinforcing. The National Framework for Strategic Gateways and Trade Corridors is a crucial national policy instrument that guides future identification and development of strategic gateways and trade corridors supporting significant trade volumes.

Developing national gateway and trade corridors requires a high level of coordination of efforts, between governments and between the public and private sectors, and a rigorous process for identifying strategic priorities. Transport Canada has entered into Memoranda of Understanding with Ontario and Quebec and the Atlantic Provinces to bring an appropriate integrated, intergovernmental focus to the development of an Ontario-Quebec Continental Gateway and Trade Corridor and an Atlantic Gateway Strategy respectively. Transport Canada and its partners in both gateway initiatives recognize that active participation of the private sector is essential to the success of the development of the gateway strategies, and will be working with stakeholders to devise solutions that will contribute to Canada's economic prosperity and global competitiveness and the sustainable development of the country's strategic and integrated transportation network.

Rail transportation contributes to national competitiveness through its role in the development of strategic North American gateways and trade corridors. The department is increasingly focusing attention, with others in the public and private sectors, in examining challenges associated with

transportation capacity to meet ever-increasing trade growth. Providing passenger rail services, including to those in remote areas of the country, is also a continuing area of interest for the department.

Trucking is the common mode for most forms of freight integration. Trucking shares the highways, urban streets and border crossings with all other traffic where volumes are highest. Consequently, trucking is a major beneficiary of policies and investments that support strategic gateways, efficient trade corridors and the modal transfer points that are essential to make them work.

The air industry has always had a strong international as well as domestic dimension. Competitiveness and access to opportunities are as important as addressing the domestic public good through the availability of services on reasonable terms. The federal role with respect to this largely privatized sector of transportation is to ensure the public good through implementation of appropriate economic policy and legislative frameworks, while facilitating service opportunities in a rapidly changing global environment. Issues in the near term include: re-introduction of a Canada Airports Act; continued implementation of the international air policy, Blue Sky, including negotiation of a plurilateral air agreement with the European Union; and participation in domestic and global deliberations related to aviation emissions.

Transport Canada recognizes a more connected world offers the country enormous opportunities, it also obliges the department to set in motion processes which would ensure a safe and secure transportation system. In 2007, Transport Canada released *Moving Forward – Changing the safety and security culture – A strategic direction for safety and security management* which outlines the direction the department will take to make progress on enhancing the safety and security culture in transportation organizations. Applying a more comprehensive approach to safety and security, the department developed a long-term strategic framework. *Securing an Open Society: Canada's National Security Policy* provides a blueprint for action on national security issues, including actions in the transportation sector. The policy recognizes that everyone has a role to play in public safety and security by emphasizing the essential nature of collaboration.

Transport Canada will also continue to develop an enhanced, integrated multi-modal transportation security program to support the Vancouver-Whistler 2010 Olympic and Paralympic Games. This work will include developing a transportation concept of operations to ensure that the aviation, marine, rail and urban transit systems in the area of interest operate in a safe, secure and efficient manner for the Games period. Transport Canada's planning for this significant world event is being coordinated at both the headquarters and regional levels.

Security is a global issue and global cooperation involving Canada and other nations is imperative. The department represents the Government of Canada abroad in international transportation security matters, seeking to ensure international cooperation by coordinating, liaising and supporting the Government of Canada's foreign policy objectives. In addition, through its Intelligence Assessment programs Transport Canada works in cooperation with the Canadian intelligence community and foreign partners to collect and analyze intelligence about security threats to all modes of transportation.

The federal government believes that an effective regulatory framework is vitally linked to ensuring a sustainable, efficient transportation system. Recognizing this, the department's *Cabinet Directive on Streamlining Regulation* is being implemented at all stages of the regulatory lifecycle-development, implementation, evaluation, and review. Rigorous and thorough consultation processes have helped to ensure that upcoming reforms associated with key Acts will result in rules that reflect the needs and concerns of both industry and the public. Streamlined regulations will ensure that only regulations that are essential to safety and security are in place and assessments will be made through performance measures and management frameworks.

A key challenge for the Government of Canada is to ensure that federal spending on infrastructure has maximum impact. The Federal Science and Technology *Mobilizing Science and Technology to Canada's Advantage* released in 2007 underscores the importance of innovation to advance Canada's long-term economic and social advantage. Together with advanced policy research, strategically targeted R&D is critical to the planning and delivery of a safe, secure and efficient transportation infrastructure system that responds to current needs while strategically positioning Canada for successful participation in the global marketplace.

Improving economic competitiveness and enhanced viability of Canadian cities and communities requires action on the environmental impacts of transportation. The transportation sector recognizes that increased transport activity and the modernization of our transportation infrastructure calls for an environmentally sustainable approach. Sustainable transportation policies should systematically integrate environmental considerations, recognizing that Canadians' health and their social and economic well-being are fundamentally linked to the quality of the environment. Public transit plays an increasingly important role in reducing congestion and promoting more environmentally sustainable transportation in our cities and communities. Effective and efficient public transit can assist in optimizing urban transportation systems, thus facilitating economic and population growth.

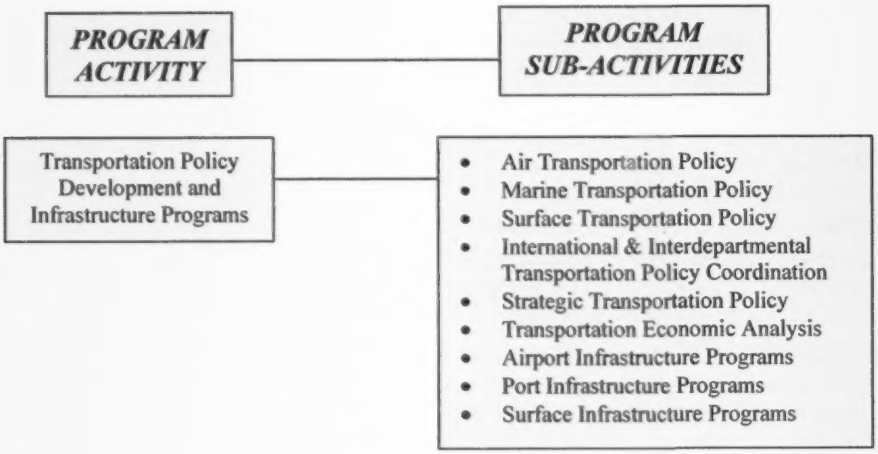
Globalization of trade and transportation is an important context for Canada's attention to improved competitiveness. Transport Canada must therefore continue to develop new policies and programs to support a high-quality, modern transportation infrastructure that allows goods and people to move safely, efficiently and in a manner that is environmentally responsible. This is essential to Canada's long-term economic prosperity and quality of life.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

2.1 Analysis by Program Activity

This section focuses on the department's Program Activities and the key programs and initiatives that support each Program Activity and the attainment of Strategic Outcomes.

2.1.1 Strategic Outcome: An efficient transportation system that contributes to Canada's economic growth and trade



Financial Resources ($ thousands)

2008-2009	2009-2010	2010-2011
521,681	640,304	612,404

Human Resources (Full time equivalents)

2008-2009	2009-2010	2010-2011
721	689	677

The Transportation Policy Development and Infrastructure Program Activity encompasses the development of transportation policies, legislation, programs, technology and infrastructure support in such a manner that competition and market forces guide the growth and development of the national transportation system and a strong and healthy marketplace encourages existing competitors and new entrants to innovate and provide new services to meet the transportation needs of Canadians. Contributing activities under the policy element of this program activity include monitoring and analysis of the Canadian transportation system, annual reporting on the health of the system, R&D, economic studies and the development of new policies. Transport Canada also administers airport, port (not including Canada Port Authorities), highway and bridge subsidy programs and performs landlord and monitoring functions for the department for ports, airports and air navigation system sites. Under the infrastructure element of this program

activity, Transport Canada negotiates the divestiture of ports, and seaway lands to local interests, and operates airports and ports until their transfer, as well as federally owned airports in the Regional/Local/Remote categories and remote ports.

An extensive program of monitoring and analysis of Canada's transportation system provides feedback regarding the effectiveness of the Government's policies, as well as essential information to support future actions. While every effort is made to achieve the department's stated objectives, results are ultimately influenced by factors such as global economic conditions, international crisis or the actions of other governments – that are beyond its control. Subject to the *Canada Transportation Act*, the department develops an annual brief overview of the state of transportation in Canada and every five years, produces a more comprehensive industry review.

In an era of swift-moving global supply chains, transportation systems must connect Canada with a rapidly changing world. Indeed, transportation is at the heart of an efficient and competitive economy. Real or perceived impediments to a reliable supply chain, such as congestion, labour issues and border delays, can negatively influence private sector investment decisions and impact entire industry sectors. As a country whose reliance on international trade is so critical to our economic growth, transportation networks that serve as gateways and corridors to foreign markets are especially important to our competitiveness.

The pressures facing our transportation system are both new and long-standing, which necessitates Transport Canada's continued effort to develop policies, legislative frameworks and programs that are based on central principles of competition and market forces. Transport Canada's expertise in policy and program development related to transportation infrastructure and its consideration of the public interest is recognized throughout the federal government. A high-quality, modern transportation infrastructure that allows goods and people to move seamlessly and efficiently, is essential to support the competitive advantage towards which Canadian industry strives. In this respect, the department must be strategic in developing appropriate policies and funding programs on its own and in collaboration with public and private sector partners to achieve the maximum benefit for the nation as a whole.

Keeping with its mandate of promoting market-based policies and programs, Transport Canada continues to implement its divestiture program for ports. This program has been very successful with 86 per cent of ports being divested to date. Acknowledging that it is unlikely that all of the remaining ports will be transferred, a more flexible approach to divestiture is being adopted. Ports will be operated and maintained responsibly until they are transferred, and closure/demolition of sites will take place as conditions dictate.

The department must work in partnership with public and private stakeholders across all modes of transportation, as well as international governments and coordinating bodies. This is the case, for example, in:

- Negotiating bilateral air transport agreements or arrangements for international air services and representing the Government of Canada as a member of the International Civil Aviation Organization (ICAO);

- Co-leading the Canada-U.S. Transportation Border Working Group with the U.S. Federal Highways Administration;

- Representing Canadian transportation interests in bilateral and multilateral trade negotiations; and

- Coordinating its involvement in:

    - International activities (including with multilateral bodies such as the Asia Pacific Economic Cooperation and the International Transportation Forum);

    - Key bilateral relationships (for example with the United States, China, Caribbean and Latin America); and,

    - Ministerial and senior management involvement in international activities.

Transport Canada is actively participating in the Security and Prosperity Partnership (SPP) of North America. In the area of security, the department is engaged in SPP work in the critical areas of:

- Surface, air, and marine, emergency preparedness and response; and,

- Border security and infrastructure.

On the prosperity side, Transport Canada is working to improve the safety and efficiency of the transportation system through efforts to ensure:

- The safe and efficient movement of people and goods;

- That the transportation system supports growing trade and economic expansion; safer, faster, and more efficient border crossings through the use of new or enhanced mechanisms to support border planning, information sharing, and communications; and

- That all modes of transportation are optimized to meet these needs.

In general, the indicators below are used to track progress in promoting an efficient transportation system.

Program Activity	Expected Results	Performance Indicators	Departmental Program Priorities
Transportation Policy Development and Infrastructure Programs	• Long-term sustainable funding and accountability framework for transportation infrastructure • Strengthened Canadian competitiveness in international markets • Legislative and policy frameworks that support free market forces with government intervention targeted to situations where market forces are insufficient	• Productivity of the transportation system • Price and service levels • Financial viability of the different components of the system	• Market-based policy framework • Infrastructure, gateways and trade corridors • Innovation • Climate change and clean air

2.1.1.1 Key Programs and Initiatives in support of the Program Activity Transportation Policy Development and Infrastructure Program

Ensuring the continued improvement of transportation services by providing rules that allow transportation undertakings to adapt, innovate, remain competitive and serve the public — has been the successful focus of federal transportation policy over the years. Experience has demonstrated that competition and free market forces stimulate performance and productivity improvements. When government interventions are needed, they should be targeted to situations where market forces are insufficient to achieve desirable outcomes. While much has been accomplished to provide a competitive marketplace and to better focus government actions, room for improvements remain.

The information that follows lists key programs and initiatives with expected results that together are focused towards the successful attainment of this program activity objectives.

Review of Railway Freight Service

On October 29, 2007, the government tabled Bill C-8, a Bill to strengthen the shipper protection provisions of the *Canada Transportation Act* (CTA). At the same time, the government announced that it would undertake a review of railway service shortly after Bill C-8 is passed. This review is expected to be completed during 2008-2009. The review will seek to identify commercial solutions to improve rail freight transportation services. It is recognized however, that possible regulatory or other changes may be recommended once the results of the review have been assessed.

International Air Agreements

The Department is implementing the Blue Sky Policy that was announced in November 2006 and that provides the current policy framework for international air negotiations.

On November 27, 2007, Canada engaged the European Union (EU) in negotiations towards a single comprehensive air services agreement which would include all of the EU's 27 Member States. Canada has an ambitious program to negotiate with a number of other priority markets, most notably in the Caribbean and Asia-Pacific region. Canada's air agreements are intended to secure operating rights for Canadian air carriers and to provide Canadian travellers and shippers with better and more economic travel options.

Canada's Permanent Representative to the Council of the International Civil Aviation Organization (ICAO) is accountable for all aspects of relations between Canada and the 189 member states and the ICAO Secretariat. Coordination will remain a critical element of advancing Canada's interests related to aviation and safety, security and the environment, with particular emphasis on the environment.

Canada Airports Act

A significantly revised *Canada Airports Act* was introduced in the new Parliament as C-20 in June 2006. The new Act includes provisions to strengthen governance, transparency and accountability at the major Canadian airports, especially those operated by Airport Authorities. Bill C-20 died on the order paper when Parliament was prorogued in the fall of 2007. It is expected that legislation will be re-introduced.

Building Canada Plan

Canada's New Government is making an historic infrastructure investment of $33 billion under the new Building Canada plan. Building Canada will invest in infrastructure to support a stronger economy, a cleaner environment and more prosperous communities. In short, a stronger, safer, and better Canada. This comprehensive long-term infrastructure plan provides a framework for the federal government to collaborate with provinces, territories and municipalities to take the necessary action to make a real difference in the everyday lives of Canadians - whether it's safer roads, shorter commutes to work, or cleaner water and air to help keep families healthy.

Building Canada includes the following comprehensive and integrated suite of infrastructure initiatives:

- Over 50 per cent of the plan will flow directly to municipalities for their infrastructure priorities, including the $11.8 billion Gas Tax Fund (extended to 2013-2014) and an estimated $5.8 billion through the Goods and Services Tax Rebate;

- A $2.275 billion Provincial/Territorial Base Funding Initiative to provide each jurisdiction with $25 million per year over seven years to support core infrastructure priorities;

- The $8.8 billion Building Canada Fund (BCF), to be distributed on a per capita basis for infrastructure priorities in provinces and territories. The BCF will make investments in clean water and sewage treatment infrastructure, the core National Highway System, public transit and green energy, among other categories. The BCF also has dedicated funding for projects in communities with populations of less than 100,000 – helping these smaller communities face their unique challenges.

- Three national targeted funds: the $2.1 billion Gateways and Border Crossings Fund (GBCF), the $1.25 billion Public-Private Partnerships Fund, and $1 billion for the Asia-Pacific Gateway and Corridor Initiative (APGCI).

Transport Canada is responsible for implementing of the GBCF and the APGCI, as detailed in the other sections. In addition, Transport Canada will work closely with Infrastructure Canada on implementing the transportation components of the BCF and the Provincial/Territorial Base Funding Initiative.

Six categories of eligible projects under these funds are within the transportation domain: National Highway System, Public Transit, Local Roads, Regional/Local Airports, Shortline Rail and Shortsea Shipping. By investing in such projects, the Government of Canada will provide tangible benefits to improve the lives of Canadians, while supporting the nation's most important economic and environmental goals.

More information on the BCF can be found at: http://www.buildingcanada-chantierscanada.gc.ca/index-eng.html

Public-Private Partnerships (P3s)

Taking advantage of innovative financing sources through public-private partnerships (P3s) is one of the priorities under the Building Canada Plan. In addition to creating the first ever federal funding program for innovative P3s, the Government of Canada is establishing a P3 Office. To that effect, Transport Canada will work with Finance Canada and Infrastructure Canada to establish a federal P3 Office that will facilitate the broader use of and promote best practices for P3s in Canadian infrastructure projects. Transport Canada will also encourage the development

and use of P3s in the field of transportation by requiring that they be considered for projects that seek a federal contribution over $50 million, under the BCF and the GBCF.

Asia-Pacific Gateway and Corridor Initiative

By way of the last two federal budgets, the Government of Canada has committed over $1 billion for the APGCI. The objectives of this Initiative are to: boost Canada's commerce with the Asia-Pacific region; increase the Gateway's share of North America-bound container imports; and improve the efficiency and reliability of the Asia-Pacific Gateway and Corridor for Canadian and North American exports.

The APGCI has combined strategic infrastructure, policy, governance and operational issues together into one integrated, multi-modal, public-private strategy. Significant progress has been achieved in all areas of the APGCI, including infrastructure project selection, construction, policy development, technology application and international cooperation and marketing. During its first year, the federal government, together with all four provincial governments and other partners, announced APGCI infrastructure projects worth over $2.3 billion, including federal contributions of over $860 million.

Allocation of the remaining funds will be decided by early 2008. As the APGCI enters its second year, work will be focused on the Initiative's longer-term strategic directions: building a sustainable trade and transportation system for North America; optimizing the supply chain for secure Asia-Pacific trade; and moving from volume to value in the Asia-Pacific Gateway and Corridor.

More information on the Asia-Pacific Gateway and Corridor Initiative can be found at: http://www.tc.gc.ca/majorissues/APGCI/menu.htm.

Gateways and Border Crossings Fund

Modern, efficient and reliable infrastructure is essential to ensure that Canada continues to reap the benefits of growing international trade. Developing our trade-related transportation systems is vitally important to our economy.

Guided by the National Policy Framework for Strategic Gateways and Trade Corridors, the GBCF will contribute to projects to improve the flow of goods between Canada and the rest of the world. This merit-based fund will enhance infrastructure at key locations such as major border crossings between Canada and the United States. As well, a minimum of $400 million from this Fund will be devoted to the construction of the new access road linking Highway 401 to the new bridge crossing between Windsor and Detroit, the busiest gateway for Canada-United States trade, and one of the most significant commercial trade corridors in the world. Funding under the GBCF will also support the development of the Ontario-Quebec Continental Gateway and Trade Corridor and the Atlantic Gateway.

These strategies will promote infrastructure and technology investments, such as Intelligent Transportation Systems, that enhance multimodal integration of major transportation systems, as

well as their efficiency, safety, security, and sustainability. They will also address other, interconnected issues that impact on how well those systems work and how well Canada takes advantage of them over the longer term. As such, the GBCF will also help advance complementary policy, legislative, operational, research and trade promotion measures.

Ontario-Quebec Continental Gateway and Trade Corridor

Ontario and Quebec together represent around 60 per cent of Canada's exports and gross domestic product. It is of vital importance to the economic health of the country that Central Canada's transportation system continues to support the efficient and integrated movement of goods into international markets. It is also important that this gateway is aligned with the other two national gateway and corridor initiatives.

The *National Policy Framework on Strategic Gateways and Trade Corridors* released in 2007 provides the context for Transport Canada's engagement in the Ontario-Quebec Continental Gateway and Trade Corridor. In July 2007, the Minister of Transport, Infrastructure and Communities and the ministers of transportation for Quebec and Ontario signed in Montreal, a Memorandum of Understanding (MOU) for the development of the Gateway. The MOU commits all three parties to work, in partnership with the private sector, to develop a strategy to position the gateway to respond to global trade opportunities. The MOU envisages an intensive 24-month action plan to explore ways to optimize transportation infrastructure in the gateway to better meet current and future demands in transportation. Much of this effort will come to fruition in 2008-2009.

More information on the Ontario-Quebec Continental Gateway and Trade Corridor Initiative can be found at: http://www.tc.gc.ca/GatewayConnects/Ontario-Quebec/Ontario-Quebec.html

Towards an Atlantic Gateway Strategy

Significant opportunities exist in Atlantic Canada for attracting more international commerce activities because of its strategic geographical position with respect to North American markets and the significant transportation assets located in the region. From all accounts, the transportation capacity in the Atlantic region is significantly underutilized, pointing to an opportunity for greater trade promotion and economic development in the region.

To support the region's competitiveness and to further develop and exploit key transportation systems that support international trade activities in the Atlantic region, a MOU on the Atlantic Gateway was signed in Halifax on October 14, 2007, by the Ministers of Transport, Infrastructure and Communities and the Atlantic Canada Opportunities Agency (ACOA) and by the four Atlantic Provincial Ministers of Transportation and the Inter-Governmental Affairs Minister for Newfoundland and Labrador. The MOU affirms the commitment by all parties to work collaboratively to develop the Atlantic Gateway concept and formalizes the Atlantic Gateway Federal-Provincial Officials Committee (Officials Committee) as the primary forum for this collaboration. It also outlines the objectives for the development of an Atlantic Gateway strategy over the next 24 months including key priorities of private sector stakeholder

engagement, marketing and analytical work required to map and assess the multi-modal transportation system in the region that supports international commerce activities.

The signing of this MOU followed the 2007 release of the *National Policy Framework on Strategic Gateways and Trade Corridors,* which articulates a systems-based approach to policy and investment issues.

More information on the Atlantic Gateway can be found at:
http://www.tc.gc.ca/GatewayConnects/Atlantic/AtlanticGateway.html

Canada Strategic Infrastructure Fund and the Border Infrastructure Fund

Transport Canada also works closely with Infrastructure Canada on highways, transit and border projects considered for funding under the Canada Strategic Infrastructure Fund (CSIF) and the Border Infrastructure Fund (BIF). Transport Canada provides technical input, analysis and advice on the selection of transportation projects and joins with Infrastructure Canada to negotiate and seek Treasury Board approval of the contribution agreements with Transport Canada implementing the projects. Transport Canada will be providing federal oversight to ensure that the Canadian public receives value for money by ensuring that all federal expenditures are consistent with the objectives of the programs, compliant with federal legislation and that grants and contribution program requirements are followed.

In 2008-2009, the department will continue to manage and ensure the compliance of transportation infrastructure projects being constructed by our partners under the current funding programs. Transport Canada will continue to work with other federal departments and our provincial, territorial, municipal and private sector partners to develop and deliver these programs effectively and efficiently in order to meet federal objectives of cost-efficiency and ensure an acceptable level of return in the economic, social and environmental benefits in relation to the investment that is required (benefit-cost analysis).

Examples include:

- Studies and other preliminary work (phase 1) on Highway 30 to explore the potential for a public-private partnership to complete this section of highway, spanning 42 kilometres southwest of Montreal, in Quebec ($10.5 million federal);
- Improvements to GO Transit's rail network in the extended Greater Toronto Area ($385 million federal);
- Expansion and rehabilitation of Toronto's transit system ($350 million federal) in Ontario;
- Completion of the twinning of Trans-Canada Highway 1 between Regina and Winnipeg (over $50 million federal between Saskatchewan and Manitoba),
- Twinning of Highway 63 to Fort McMurray in Alberta ($150 million federal);
- Construction of a new international bridge and truck route (Route 1) between New Brunswick and Maine ($30 million federal);

- Construction of the Canada Line light rail transit system, linking central Richmond, Vancouver International Airport and downtown Vancouver in British Columbia ($450 million federal); and,
- National corridors for Canada in the Northwest Territories ($65 million federal).

For more information, visit: http://www.infrastructure.gc.ca/ip-pi/index_e.shtml.

Transport Canada will work with stakeholders towards the signing of contribution agreements for transportation projects such as:

- FLOW - public transit and highway infrastructure projects in the Greater Toronto Area ($962 million federal);
- Let's Get Windsor Essex Moving Strategy ($150 million federal);
- Highway rehabilitation projects on Route 1 of the Trans-Canada highway in Newfoundland ($24 million federal);
- Construction of a four-lane divided highway (Route 175) between Quebec City and Saguenay ($262.5 million federal);
- Rehabilitation of the Dorval interchange ($55 million federal); and,
- Rebuilding of highway 185 ($85 million federal).

Domestic and International Bridges and Tunnels

Transport Canada continues to assess the current and long-term financial requirements of the domestic and international bridges and tunnels within the Department's own portfolio to ensure their long-term safety. To this end, Transport Canada is undertaking a number of measures to improve the way in which these assets are managed and to enhance the ability of the crown corporations that own and/or manage them, to do so more effectively. These initiatives include strengthening the existing governance models and ensuring sound financial management practices.

Through the recent coming into force of the *International Bridges and Tunnels Act*, Transport Canada is developing guidelines for the application to construct new international bridges and tunnels, to alter existing structures, and to change the operator, owner and control of international bridges and tunnels. Transport Canada officials will process these applications and consult with stakeholders in order to provide Governor in Council with a recommendation for approval.

Following the recent collapse of the Laval viaduct and the Minneapolis I-35W Mississippi River Bridge, Transport Canada began working closely with its federal stakeholders to ensure the continued safety of federal bridges. Transport Canada will continue to work closely with these departments, Crown corporations and shared governance regimes to share best practices in the area of bridge safety inspections and maintenance. Transport Canada will also begin development of regulations for the maintenance and repair, operations and use of international bridges and tunnels.

With the coming into force of the *International Bridges and Tunnels Act* earlier this past year, Transport Canada officials began developing regulations for the maintenance and repair as well as operations and use of international bridges and tunnels. Stakeholders, industry and governments are participating in the consultation process and in the development of the regulations.

Windsor-Detroit

Improving international traffic flows at the Windsor-Detroit gateway is a key government priority as confirmed at the North American Leaders Summit in Montebello, Quebec, in August 2007 by Prime Minister Harper and President Bush. In addition to the Let's Get Windsor-Essex Moving Strategy, which is funding improvements to existing infrastructure in the Windsor area, the department continues to participate in the Canada-U.S.-Ontario-Michigan Border Transportation Partnership with the purpose of developing a long-term strategy to improve the movement of people, goods and services along the Windsor-Detroit corridor. Through a coordinated environmental assessment study process, the partnership is identifying the location for a new international bridge crossing, inspection plazas and connecting roads leading from Highway 401 in Canada to the Interstate Highway System in Michigan. The partnership is also looking at various governance structures for the crossing and possible models for private sector involvement in the design, financing, construction and operation of the new crossing. The challenges of building such new infrastructure are significant:

- Requires a partnership between various levels of government in two countries;
- Entails the construction of a crossing with customs plaza and access roads on both sides of the border; and
- Requires balancing the interests of various stakeholders.

On November 26, 2007 Transport Canada signed a Memorandum of Cooperation with the U.S. Department of Transportation, to strengthen collaboration and coordinate the efforts of respective federal agencies to advance the development of an enhanced border crossing system for the Detroit-Windsor region. The bi-national partnership is currently in the final stage of the environmental assessment process. The technically preferred location for the new bridge, plazas and access roads will be announced in Spring 2008. As announced in Budget 2007, Transport Canada, together with Michigan and the U.S. Department of Transportation, intends to explore the opportunity to partner with the private sector to design, build, finance, operate and maintain the new crossing that is expected to be in operation in 2013.

Canada Marine Act Amendments

The *Canada Marine Act* (CMA) established the first single, comprehensive piece of legislation to govern many aspects of Canada's marine sector. Following a review of the Act and extensive consultations, the department developed a two-track strategy to stimulate investment in key transportation infrastructure. This new approach includes legislative amendments governing ports, in combination with several related policy measures. Amendments to the CMA were introduced into Parliament in November 2007 and are expected to be finalized in 2008. These amendments would allow Canada Port Authorities (CPAs) to apply for contribution funding

related to infrastructure, environmental sustainability and the implementation of security measures, introduce a two-tiered approach to borrowing limits, facilitate port amalgamation, incorporate a more responsive governance and management framework and introduce an administrative monetary penalty regime. Policy initiatives to be pursued relate to a modernized national marine policy, streamlined borrowing limit process and amendments to Letters Patent to allow for a wider array of uses for lands that CPAs lease or licence to third parties.

Marine Atlantic Inc.

In 2008, Transport Canada will work with Marine Atlantic Inc. towards the development of the second phase of the long-term strategy to revitalize the corporation. The second phase comprises the finalization of the fleet renewal strategy and the development and articulation of a cost containment strategy to keep the service reliable and affordable.

Data Collection

Building on work started in 2002, Transport Canada further expanded the Electronic Collection of Air Transportation Statistics (ECATS) programme to Phase II to improve the quality, scope and timeliness of air transportation statistics in support of policy formulation, planning and decision-making. In 2008-2009, the department will further pursue the collection of cargo information and will begin to gather general aviation data collection.

Transport Canada continues to build on work carried through 2006 and 2007, as part of a National Roadside Survey (NRS) of trucking operations at key Canada/US border locations and at strategic points in the Quebec-Windsor corridor. In 2008-2009, new data products will be developed to support the gateway and corridor initiatives and inform the department on trucking activities across our land borders.

Full Costs of Transportation in Canada

In 2007-2008, Transport Canada, in collaboration with the provinces and territories, completed a series of studies supporting the assessment of the full costs of transportation in Canada. The work yielded a new analytical tool that will provide policy-makers with a detailed valuation of the financial and social costs of all modes of transportation in Canada. This includes the capital and operating costs of both infrastructure and vehicles, the economic valuation of land occupied by transportation infrastructure and cost estimates of the social impacts of transportation (accidents, road congestion, air pollution, climate change and noise). The department expects to release the final report of the Full Costs study early in 2008-2009. A reduced form of the analytical tool derived from the work will also be made available with a view to support potential applications at the provincial and territorial level.

Transportation Object Dictionary

The Transport Object Dictionary (TOD) project was launched with an aim to harmonize and logically integrate 100 stand-alone air related database systems. In 2006-2007, the TOD, by linking numerous databases, allowed for the successful development of some airport monitoring

tools and airport scorecards for the department. In 2008-2009 the department plans to further expand the TOD by integrating more air databases and by developing more common keys that may in turn support similar uses and applications across other modal databases (rail, truck, marine and bus). It is expected that further integration will increase the department's ability to dynamically address issues and provide timely response and accuracy in a cost effective fashion.

Transportation-related Innovation and Skills Development

Innovation is key to Transport Canada's objectives and, in particular, to reconciling the three strategic outcomes (Safety and Security, Efficiency, and Environmental Responsibility) of the department's vision of a sustainable transportation system by providing a foundation of knowledge and technology to support enhanced system performance. Innovation and skills development can make the transportation sector stronger, more resilient, adaptable and responsive to changing demands and pressures.

Transport Canada will develop an Innovation Strategy that will guide departmental efforts to increase the competitiveness and efficiency of the transportation system through strategic R&D initiatives, skills development and implementation of intelligent transportation system solutions.

A highly skilled workforce is necessary to optimize the performance of Canada's transportation system and to ensure its continued competitiveness. In 2008, Transport Canada will continue to work with public and private sector stakeholders to identify ways to increase skills and knowledge capacity related to transportation technology and R&D, as well as working to promote transportation-related skills development in the industry sector. Wherever possible, activities will be aligned with the department's overall approach to innovation and policy development, articulating a coordinated response to the skills development challenges inherent in departmental initiatives such as the APGCI and/or other infrastructure initiatives.

Transportation Technology, Research & Development

Transport Canada continues to improve the department's ability to understand and respond to current and emerging challenges through the development, investigation and implementation of technological solutions. R&D positions the department to optimize the safety, security, efficiency and environmental responsibility of Canada's transportation system. An important lens for R&D activity includes the design, building and maintenance of a smarter transportation system. Work in this area will inform and protect the Government's infrastructure investments over the long-term. In 2008-2009, R&D undertaken to support our safety and security mandate will be complemented by and/or integrated into other research and development work focused on key departmental research priorities such as improving transportation in gateways and corridors and the North, to increase accessibility and energy efficiency, and working with stakeholders to minimize the environmental footprint of transportation.

Collaborative work with R&D experts in industry, academia and government will continue to be an important component of Transport Canada's R&D agenda as the department seeks to encourage the development, demonstration and commercialization of innovative technological solutions to Canada's transportation challenges. New R&D activities will support national

transportation objectives and strengthen the department's response to emerging issues through the development and application of technological solutions. One of the long-term results of these efforts will be to increase research and technological capacity related to transportation among industry and academic stakeholders.

Intelligent Transportation Systems

Transport Canada will continue to accelerate research, development, deployment and integration of Intelligent Transportation Systems (ITS) in support of national objectives (e.g., the Innovation Agenda, Asia-Pacific Gateway and Corridor Initiative, Let's Get Windsor-Essex Moving Strategy) as well as departmental priorities such as safety, security and efficiency of the transportation system. Priority activities include a review of the current Intelligent Transportation Systems Plan for Canada, *En route to Intelligent Mobility*. This will set the stage for future investments in ITS, including increased integration of intelligent transportation systems to generate greater efficiencies in the transportation network and an update of the ITS Architecture for Canada, ensuring the Architecture is modernized and strengthened to guide future investments. Work will continue on other elements of the existing plan, including the completion of several R&D and deployment projects.

2.1.2 Strategic Outcome: A safe and secure transportation system that contributes to Canada's social development and security objectives

PROGRAM ACTIVITY	*PROGRAM SUB-ACTIVITIES*
Transportation Safety and Security	• Aviation Transportation Safety • Marine Transportation Safety • Road Transportation Safety and Motor Vehicle Regulation • Rail Transportation Safety • Aircraft Transportation Services • Transportation Security and Emergency Preparedness • Rail and Urban Transit Security • Transportation of Dangerous Goods • Transportation Safety and Security Strategies and Integration • Marine Transportation Security

Financial Resources ($ thousands)

2008-2009	2009-2010	2010-2011
612,696	528,769	492,648

Human Resources (Full time equivalents)

2008-2009	2009-2010	2010-2011
4,097	4,074	4,063

The Transportation Safety and Security Program Activity encompasses policies, rule making, monitoring and enforcement and outreach in support of a safe and secure transportation system. The program activity develops national legislation, regulations and standards, and carries out monitoring, testing, inspection, enforcement, education, training and developmental activities to promote safety and security in all transportation modes. It also develops emergency preparedness plans and delivers aircraft services to government and other transportation bodies.

A safe and secure transportation system contributes to the quality of life for all Canadians and supports safe and secure communities, as outlined in *Canada's Performance 2006*.

The Transportation Safety and Security Program Activity promotes continuous improvement in the safety and security of air, marine, rail and road modes of transportation. A safe and secure transportation system protects people from acts of terrorism, accidents and exposure to

dangerous goods, enables the efficient flow of people and goods and protects the environment. Transportation Safety and Security is essential to a healthy population, a high quality of life and a prosperous economy.

The policies, rules and regulatory frameworks that are a part of this Program Activity focus on performance and on risk and threat management. The Transportation Safety and Security Program of Transport Canada also establishes safety standards for rail transportation, the manufacturing of motor vehicles, vessels, pleasure crafts and aircraft, the navigation of commercial vessels through Canadian waters and the transportation of dangerous goods. Within the Program, safety and environmental protection frameworks are developed and enforced for all segments of the domestic and foreign industries as well as the recreational boating community. In addition, the Transportation Safety and Security Program has responsibility for maintaining a small fleet of aircrafts for the non-military use of the Government of Canada.

Compliance and enforcement activities referred to in this Program are systematically informed, consistent and effective. These activities include issuing licences, certificates, registrations and permits, monitoring compliance through audits, inspections and surveillance and taking appropriate enforcement action in instances of non-compliance. In particular, the department's inspectors monitor the system to make sure the rules are being followed and, if required, enforce the policies and rules. These activities contribute to the reduction of accidents, incidents and fatalities.

In general, the indicators below are used to track progress in promoting a safe and secure transportation system.

Program Activity	Expected Results	Performance Indicators	Departmental Program Priorities
Transportation Safety and Security	• Continuous improvement in transportation safety and security • Public confidence in Canadian transportation safety and security	• Level of public confidence in transportation safety and security • Accident/incident rates relative to the increase in traffic • Fatality rates relative to the accident/incident rates • Progress in implementing safety and security management systems	• Safety and security management systems • Streamlined regulations • Strengthened security policies and programs

2.1.2.1 Key Programs and Initiatives in support of the Program Activity Transportation Safety and Security

The information that follows lists key programs and initiatives with expected results that together are focussed towards the successful attainment of the program activity objectives.

Aviation Safety

Safety is an essential foundation of a transportation system that enables a country to exploit the economic benefits and efficiencies of its transportation system. Aviation Safety establishes and administers the policies, regulations and standards necessary for the safe conduct of civil aviation within Canada's borders and also exerts its influence nationally and internationally. It does so with the high expectation of reporting a continual improvement on the high level of aviation safety in Canada and a high level of public confidence in aviation safety.

The scope and challenge of Aviation Safety includes:

- 2,300 domestic, foreign and private air operators;
- 67,000 private and commercial pilots;
- 14,000 aircraft maintenance engineers;
- 30,000 registered aircraft;
- 1,400 organizations involved in aircraft maintenance, aviation training, the design and manufacturing of aeronautical products and parts;
- 600 certified airports and 1,000 registered aerodromes;
- over 200 private companies of various sizes and individuals involved in the provision of air navigation services; and
- a network of approximately 3,000 companies and individuals having received a Ministerial Delegation to make findings of compliance on behalf of the Minister.

In particular, because of international civil aviation requirements, the processes of Aviation Safety enables the aviation and aerospace community in Canada to participate and compete on an on-going basis in the international marketplace. The value to Canada of this marketplace exceeds $22 billion annually with the majority of its products exported for consumption and use in other countries. The support of the safety of Canadian products internationally cross-cuts outcomes relating to the efficiency and financial well-being of this industry in Canada.

In its pursuit of increased safety, plans in progress will continue to expand and take hold within the industry. Front and centre in this regard is the continued implementation of safety management systems (SMS) within the Canadian civil aviation community. SMS is a formalized framework for a structured integration of safety into the daily operations of a transportation enterprise. By 2008-2009, the enabling regulations for each segment of the industry's operational components targeted for SMS implementation will either have been in the latter stage of the federal rulemaking process, or be progressing through one or more of the implementation phases of SMS. The year 2008-2009 will see the operational integration of SMS safety oversight protocols for the aviation organizations having reached the appropriate state of readiness as

required by regulation. In 2008-2009, the Aircraft Certification Accountability Framework project will table regulations that delineate between ministerial and industry responsibilities through the introduction of an operating certificate for aeronautical design organizations. The introduction of an operating certificate will provide for the full integration of a company's design activities into their SMS along with their other operating certificates.

Aviation Safety will continue to explore new partnership opportunities with its stakeholders, such as the one established with the Canadian Business Aircraft Association (CBAA). At the operational level Aviation Safety is continually modernizing its suite of regulations and standards to challenge new threats to safety, meet international requirements, harmonize Canada's regulations with the international community and increase the mutual acceptance of Canada's licenses with the United States and the European Community.

In 2008-2009, additional licensing and training requirements will be developed to fill the void in identified higher risk areas such as the need for special Multi-Crew Licenses and Threat and Error Management certification. New regulations will be introduced:

- Requiring language proficiency ratings in either English, French or both official languages for license holders;
- Requiring the integration of new technologies to aircraft systems such as Terrain Awareness Warning Systems (TAWS) and Emergency Locator Transmitters (ELTs);
- Requiring common approaches to winter maintenance programs at airports; and
- Establishing certification standards for water aerodromes and consolidate existing regulations governing the certification process for aeronautical products.

In 2008, Transport Canada will adapt and coordinate communications to enhance the transparency of the Civil Aviation program by educating travelers and industry on shared safety responsibilities. This will be achieved by conducting a national awareness campaign for cabin safety issues such as unruly passengers, child restraint systems and carry-on baggage.

As its contribution to the security agenda, in 2008-2009, Aviation Safety will begin the issuance of a new format of pilot license to address security issues. This will reduce the threat of the Canadian pilot license to be used as a false identity. A robust format similar to a passport is being developed.

Marine Safety

Marine Safety protects life, health, property and the marine environment in the context of an efficient and sustainable marine transportation system in which the public can have continued confidence. Marine Safety's mandate encompasses the full spectrum of responsibilities related to the safety of vessels, pleasure crafts, and environmental protection. This includes the policy development, administration and enforcement of national and international laws, the promotion of safe practices and procedures, the oversight of training programs for officers and crews of commercial vessels, marine occupational health and safety issues, maintaining a Canadian vessel registry, licensing small commercial vessels, pleasure craft safety, navigable waters protection and overseeing pilotage matters.

Marine Safety will continue to work with the marine industry over the coming years to identify opportunities to utilize a SMS philosophy in the continued enhancement of the marine safety regime in Canada. SMS was mandated for Canadian vessels trading internationally via the *Safety Management Regulations*. These regulations introduced the *International Safety Management (ISM) Code* in 1998 and expanded the scope of its application in 2002. Transport Canada has had some success in promoting voluntary adoption of the ISM Code by domestic shipping companies.

Marine Safety is examining ways to increase voluntary adoption of SMS and is assessing various shipping sectors for opportunities for increased participation.

Marine Safety will also be supporting the *Cabinet Directive on Streamlining Regulation* by continuing to revise its suite of *Canada Shipping Act, 2001* regulations and standards, and by modernizing the following piece of legislation:

- Reviewing the amendments to the *Pilotage Act*, enacted in 1972. In early 2007, consultations were held across the country with concerned stakeholders regarding administrative amendments to the *Pilotage Act* help ensure the financial self-sufficiency of pilotage authorities while maintaining high levels of safety and to allow for improvements in the governance of the Pilotage Authorities. The *Pilotage Act* will continue in Parliament in 2008.

Improving the Performance of the Regulatory System for Major Natural Resource Projects

Increased energy demand has caused an increase in offshore oil and gas extraction operations. This has introduced new large and very technically complex oil and gas extraction platforms to the marine world. It has also created increased traffic to support them. This support includes moving the platforms, supplying the platforms and transporting the oil and gas. This situation has a positive impact on the Canadian economy but must be carefully managed from an oversight perspective in order to minimize safety and environmental risks associated with these types of operations.

Transport Canada is participating in a multi-departmental initiative led by Natural Resources Canada (NRCan) to improve Canada's regulatory framework for major natural resource projects and move forward on the government's commitment made in *Advantage Canada* to increase the efficiency and effectiveness of the federal regulatory approval process. Through its participation in the development and implementation of the Major Projects Management Office (MPMO) under the direction of NRCan, the initiative aims to improve the accountability, transparency, timeliness and predictability of the federal regulatory system for major natural resource projects. Transport Canada's participation in the project is focused on our regulatory permitting function for such projects under the *Navigable Waters Protection Act (NWPA)* and associated environmental assessments and Aboriginal consultation requirements.

Development of a Hazardous and Noxious Substances Regime

Transport Canada is the lead Canadian agency at the Protocol on Preparedness, Response and Co-operation to Pollution Incidents by Hazardous and Noxious Substances (OPRC-HNS) working group at the International Maritime Organization (IMO) in order to ratify the OPRC-HNS Protocol. Ratification of this protocol will provide a framework for international co-operation in establishing systems for preparedness and response at the national, regional and global levels.

Transport Canada is working on the development of the legislative structure required to put an HNS regime in place, together with the necessary regulations and standards and specifically by developing the required HNS response mechanism. Canada will then be able to take necessary action to accede to the Protocol on Preparedness, Response and Co-operation to pollution Incidents by Hazardous and Noxious Substances, 2000.

A discussion paper will be completed in 2008-2009 to reflect several responding options and a list of the key elements necessary to establish a maritime HNS response regime. These elements would be used to draft the framework of the regime. Once completed, this discussion paper will be given wide distribution in Transport Canada and presented to management committee prior to any external consultation.

Marine Simulator Contribution Program

The department's contribution program for marine training simulators ($7.2 million federal) will assist the provinces to modernize marine training simulators formerly belonging to the federal government. The program directly supports and advances the departmental mandate and strategic objective by financially contributing to the provision of state-of-the-art marine simulator training equipment that will in turn ensure the level of regulatory training and certification of seafarers, thus contributing to the safety of the marine transportation system in Canadian and international waters.

The Province of Ontario is the only one, of five eligible Provinces, to have entered into an Agreement under the Marine Simulators Contribution Program. As a result, the Province of Ontario's Great Lakes International Marine Training Centre (GLIMTC) of Georgian College of Applied Arts and Technology, will maintain their operational capacity to TC standards with no interruption of regulated training and certification, for the continued maintenance and development of skills of seafarers in the marine industry.

Health of the Oceans Initiative

As part of the 2007 Federal Budget, $19 million in funding over two years was announced for the Health of the Oceans initiative and, the remaining investment of $42.5 million is accounted for in the fiscal framework until the end of 2011-2012. Of the investment that will be distributed to five federal departments and agencies, Transport Canada will receive $23.85 million over five years.

For more information, consult http://www.tc.gc.ca/mediaroom/releases/nat/2007/07-h185e.htm#bg

Funding being allocated to Transport Canada will improve marine environmental quality of Canada's three oceans by advancing pollution prevention through:

- Funding to increase the effectiveness of the National Aerial Surveillance Program (NASP) to further protect Canada's waterways, including the Arctic on a dedicated basis ($13 million). The NASP is the primary tool for detecting ship-source pollution in waters under Canadian jurisdiction. Expected results for 2008-2009 consist of increasing the number of pollution patrol hours from 1,649 hours in 2006-07 to over 2,500 hours, this will include approximately 400 hours in the Arctic.
  For more information, consult http://www.tc.gc.ca/marinesafety/oep/ers/nasp.htm.
- Outfitting Transport Canada's Dash 7 surveillance aircraft with a Maritime Surveillance System to assist Transport Canada with the enforcement of pollution prevention regulations in the Arctic ($5 million). The system will be acquired in 2007-2008 and installed in 2008-2009.
- The enforcement of ballast water regulations to reduce the risk posed by harmful invasive species on Canada's ecosystems ($4.5 million). Funding received through this initiative will be used to directly improve the Ballast Water Enforcement. Expected results for 2008-09 consist of enhanced inspections in marine coastal regions outside of the Great Lakes, closer cooperation with US authorities, and promoting practices for ships and crews to verify their compliance with ballast water regulations. For more information, consult
  http://www.tc.gc.ca/marinesafety/oep/environment/ballastwater/menu.htm.
- The development and implementation of a Ship Waste Reduction Strategy ($800 thousand). Funding received through this initiative will enable Transport Canada to move forward on the development of a legislative framework and mandatory standards for ships to discharge their waste, in port, prior to departure; and enable the development of a strategy to provide adequate port waste reception facilities. Expected results for 2008-2009 are the development of an online database of available port waste facilities in Canada and progress on developing a policy framework on promoting the establishment of port waste reception facilities.
- The undertaking of an Arctic International Marine Shipping Risk Assessment ($550 thousand). Changing climatic conditions, coupled with technological advances and increased demand for resources, have improved accessibility and increased the potential for development in the North. Under the PAME (Protection of the Arctic Marine Environment) working group, Canada (Transport Canada), Finland and the United States will lead the multi-year "Arctic Marine Shipping Assessment" to study the potential social, economic and environmental impacts of shipping, at current and projected levels of activity. The final report is to be presented to the 6th Arctic Council Ministerial in 2009.

Rail Safety

In 2007, the Minister appointed an independent panel to review the *Railway Safety Act* in order to further improve railway safety in Canada. The panel received submissions from industry and a number of stakeholders and will submit its report to the Minister in Spring 2008.

Rail Safety Management Systems

The *Railway Safety Management Systems (RSMS) regulations*, which came into effect on March 31, 2001, require railway companies subject to the *Railway Safety Act* (RSA) to implement and maintain safety management systems. Oversight of the implementation of SMS in the rail industry is carried out through the conduct of rail safety audits. A stakeholder forum on the experiences to date in implementing SMS in rail is anticipated to be held in 2008 following the RSA Review Panel recommendations and Transport Canada's response. For more information visit http://www.tc.gc.ca/railway/SMS_Regulations.htm .

Road Safety and Motor Vehicle Regulation

Road Safety Vision (RSV) 2010

The federal, provincial and territorial governments, along with the police and other road safety organizations are working together to promote their collective mission of making the roads the safest in the world by reducing deaths and injuries.

The main target is a 30 per cent decrease in the number of deaths and serious injuries by 2010. This translates into approximately 900 lives saved and 4,900 serious injuries prevented each year.

RSV 2010 has specific sub-targets as well. These sub-targets are concerned with various issues that contribute to deaths and injuries on Canada's roads. For example, one of the sub-targets calls for at least 95 per cent of all motor vehicle occupants to wear seat belts or for children to be properly secured in appropriate child seats.

Transport Canada prepares an annual report on progress toward the RSV targets that is presented to the Council of Deputy Ministers at their Fall meeting by the Canadian Council of Motor Transport Administrators on behalf of all federal/provincial/territorial governments.

Transport Canada developed a $250,000 class contribution program to support joint research and public awareness projects related to Road Safety Vision 2010. To be eligible for consideration, the project must address at least one of the RSV 2010 targets and have outside funding as well. The class contribution program called Canada's National Road Safety Vision Program began in November 2007 and will run through March 2011.

A challenge to achieving the goals of Road Safety Vision 2010 is to coordinate the collaborative activities of the various levels of government and non-governmental partners to implement effective strategies that will enhance road safety under the Road Safety Vision initiative.

Transport Canada is providing national leadership in order to facilitate this collaboration among various partners.

Road Safety Management System

Road Safety Vision 2010 is adopting a Safe System approach to managing road safety (at the provincial, territorial and federal levels). This three-tier approach, outlined by the World Bank, emphasizes the importance of implementation (institutional and management frameworks) as underpinning effective road safety outcomes. It notes that worthwhile and effective interventions require and build upon this robust foundation/framework in order to achieve outcomes/results. The adoption of Safe System approach brings forward the importance of partnerships and the use of a wide variety of initiatives that focus on road users, roadways and motor vehicles. The Safety Management Systems (SMS) and the Safe System (similar to SMS) approaches, adopted by Road Transportation Safety, are being reflected in the strategic plan of Road Safety, which is under development.

Transport Canada is also investigating the applicability of the SMS approach for the motor carrier industry. The results of a feasibility study that was recently conducted suggest that the approach could be a relevant safety management strategy, both for large and smaller carriers. A working group is consulting within the industry and amongst government representatives and will report back to Canadian Council of Motor Transport Administrators in 2009.

Harmonization of motor vehicle regulations

Road Transportation Safety is taking steps to improve our relationship with the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA). The areas of work being envisioned for collaboration deal with the harmonization of regulations for motor vehicle safety, the promotion of greater international harmonization of technical requirements, the coordination of regulatory research and development plans and the conducting of joint analyses to assist in the development of motor vehicle safety regulations.

The challenge with harmonization on a bilateral basis is coordinating the activities in a rational and effective way to achieve the stated goals.

The proposed amendments to the *Motor Vehicle Safety Act* will include modernized provisions regarding regulatory efficiency and harmonization, certification and enforcement and importation.

Regulations on Electronic Stability Control

Electronic Stability Control (ESC) is a technology designed primarily to assist the driver in maintaining control of the vehicle in several situations such as emergency manoeuvres (swerving or braking to avoid an obstacle) and cornering slippery surfaces.

In 2007, the U.S. National Highway Traffic Safety Administration (NHTSA) published a Final Rule that will require vehicle manufacturers to provide ESC on all vehicles with a Gross Vehicle Weight Rating under 3456 kg manufactured after September 1, 2011.

Transport Canada has developed consumer-focused information on ESC that is available on the department's website for Canadians interested in the technology. The department wants to make Canadians more aware of the benefits of ESC as well as provide details on its nature and function and the work that Transport Canada has been doing in evaluating this technology. The department will propose a regulation to adapt the proposed U.S. standard in Canada in an effort to harmonize and promote safety.

With ESC, it is estimated that the reduction of risks from single passenger cars collisions would be reduced by more than 30 per cent and even more for Sport Utility Vehicles (SUVs).

Transportation of Dangerous Goods (TDG)

Transport Canada puts into place regulatory, educational and promotional programs that reduce the probability of an incident occurring and mitigates the consequences if one does occur.

The review of the *Transportation of Dangerous Goods Act, 1992* continues. Proposals to amend the *Act* may be introduced in Parliament in 2008.

Transport Canada is participating with the Federal Railroad Administration, U.S. Department of Transportation and with chemical producers, railways and tank car manufacturers in the development of the next generation of railway tank cars. This includes a review of new materials and technologies for the construction of railway tank cars used to transport dangerous goods that are toxic by inhalation. This participation aims to develop a better understanding of the factors contributing to tank car safety and to enhance the effectiveness of railway specific dangerous goods bulk packaging. Transport Canada will also consider whether advances in technology will require changes in the standards that apply to tank car design, manufacture, selection and use.

Discussions regarding a shared funding agreement proposal have also been initiated with the U.S. Department of Transportation Research and Innovative Technology Administration – Volpe National Transportation Systems Center in support of research and development projects e.g., tank car thermal protection fire tests, that will benefit both countries in the pursuit of safe and secure transport of dangerous goods. The funding agreement is anticipated to be in place in 2008-2009.

The regulatory requirements that apply to the design, manufacture, selection and use of containers for transporting dangerous goods require conformity to standards. Transport Canada is initiating a pilot project to develop in-house standards that are more accessible and at no cost to the general public, while retaining the consensus based process of standards development. Transport Canada is also working with the Canadian Standards Association (CSA) to develop a new CSA Standard for the design, manufacture and use in Canada of portable tanks based on the latest United Nations (UN) Recommendations on the Transport of Dangerous Goods. CSA is

expected to publish the standard in 2008 for subsequent adoption in the TDG Regulations. This standard will harmonize Canadian requirements with international requirements and will help promote safe and efficient domestic and international movement of dangerous goods in portable tanks.

Transport Canada works to ensure public safety in the transportation of dangerous goods. The Canadian Transport Emergency Centre (CANUTEC) is the department's 24-hour response centre that assists fire departments and other emergency responders in handling dangerous goods emergencies. CANUTEC will be involved in the production of electronic versions of the printed version of the Emergency Response Guide 2008, an international emergency response guide published jointly by Canada, the United States and Mexico for distribution to the first responder community. The Emergency Response Guide 2008 is expected to be printed before the end of 2007-2008 and translated by other countries during 2008-2009. Previous versions have appeared in 18 languages.

In support of the development of a Quality Management System (QMS), the Internal Quality Improvement Project was initiated in 2007-2008 and will be completed early in the 2008-2009 fiscal year. The project will identify best practices and variances in the delivery of TDG inspections.

Transport Canada TDG inspectors have various enforcement tools they use to ensure compliance. An important factor in determining enforcement response is the effectiveness of the response in securing future compliance. In November 2007 the provisions of the *Contraventions Act* allowed Transport Canada TDG inspectors to issue tickets. During the next 18 months, the ticketing policy will be monitored to ensure consistency, fairness and effectiveness.

Transportation Security and Emergency Preparedness

Aviation Security

Transport Canada is responsible for the security of the Canadian transportation system and plays a lead role in the security of the travelling public. The department discharges that responsibility through activities such as establishing security rules and standards for transportation facilities; screening air travellers and their baggage, responding to security incidents and threats, restricting access to certain parts of airports to authorized personnel only, training and qualifying security screeners and securing air cargo and mail.

In 2008-2009, Transport Canada will continue working with other government departments and key interested parties on ongoing priority initiatives such as Air Cargo Security, implementing the *CATSA Act* Review Panel's Recommendations, the Aviation Security Regulatory Review, and Passenger Protect. Transport Canada will also assume the responsibility for the management of the Airport Policing Contribution Program from CATSA . This program assists eligible, designated airports in financing the heightened costs of security-related policing.

As a priority, Transport Canada will continue working on the design and pilot testing to develop an enhanced and comprehensive Air Cargo Security Program. It is expected that as the design

phase ends, the program will move toward regulatory changes and broad implementation of enhanced supply chain programs for air carriers, freight forwarders and shippers. In addition, enhanced screening methodologies will be developed to improve detection capabilities within the secure supply chain. Transport Canada will continue this development in collaboration with the Canada Border Services Agency, other government departments, industry and international partners. The implementation will enhance existing layers as well as add new elements to the Air Cargo Security Program.

The department has made it a priority to respond to the demands of the current and foreseeable aviation security environment to aggressively explore how to better focus departmental, industry and other stakeholder resources on aviation security and has launched a comprehensive review of the aviation security framework to this end. This review will take place over the next three to four years with a mandate to examine in depth and renew the aviation security regulatory framework. Canada's aviation security regulatory instruments establish an essential framework for the federally regulated industry, to prepare for and respond to security threats and risks. Results are expected to include rationalization of outdated and unnecessary requirements, a more robust and pro-active regulatory framework, increased effectiveness and efficiency in the organization, coordination and delivery of aviation security, enhanced international harmonization and continued compliance with Canada's international obligations. All of this is to be accomplished with an appropriate balance between the need to maintain effective security, the rights of the individual and an efficient transportation system.

To further advance air security, Transport Canada will continue working with other government departments and key interested parties to expand the Canadian air passenger assessment program. This Passenger Protect Program provides an additional layer of aviation security by preventing individuals who pose an immediate threat to air security from boarding aircrafts.

In May 2006, the government set up a Commission of Inquiry into the Investigation of the Bombing of Air India Flight 182 for the specific purpose of evaluating any deficiencies in the investigation and response to the incident, and to make recommendations to improve the Government of Canada's response to an act of terrorism and issues of national security. Hearings commenced in September 2006, continuing through the middle of December 2007. In 2008-2009, Transport Canada will continue to support the Commission of Inquiry on issues or recommendations pertaining to aviation security that may come out of the Commission of Inquiry's Report.

International Influence on Transportation Security and Emergency Preparedness

Emergency preparedness and counter-terrorism capabilities continue to be a focal point for the department in 2008-2009. The department will lead or collaborate on a number of high profile training exercises to assess Canada's ability to act quickly, decisively and effectively in concert with other partners in the event of a terrorist attack, a security-related threat such as radiological contamination or other emergencies.

Between 2008-2010, Transport Canada will be chairing the Transportation Security Sub-Group of the G8's Roma-Lyon Anti-Crime and Counter-terrorism Group. Transport Canada is

preparing papers for approval by the G8 on Transportation Security Clearances and Security Management Systems, and cooperating with G8 partners on projects regarding aviation and marine security.

Building on the success of the Smart Border Declaration, Transport Canada will develop and implement new transportation security policies and programs under the Security and Prosperity Partnership (SPP), a trilateral initiative among Canada, the U.S. and Mexico. The SPP is designed to further enhance the security of North America and to promote the quality of life of citizens. Transport Canada, in close collaboration with other government departments, provinces and territories, Canadian stakeholders, the U.S. and Mexico, will play a key role in developing and implementing North American transportation security strategies addressing issues such as aviation security, marine security, emergency preparedness and critical infrastructure protection.

Internationally, Transport Canada will enhance transportation security and strengthen security policies and programs to establish a common approach to security. Efforts include initiatives to: improve aviation security (including air cargo); establish comparable standards for screening (e.g. of passengers and their luggage) and background checks; and improve container security.

Marine Security

Marine security continues to be a high priority for Canada as a secure marine transportation system supports vital trade corridors that connect Canada to the world. Since 2001, the Government of Canada has invested almost $930 million in marine security initiatives involving several different departments and agencies. As part of this investment, the Interdepartmental Marine Security Working Group (IMSWG) was formed under the leadership of Transport Canada to coordinate Government of Canada marine security efforts.

Over the next three years, the IMSWG will continue to facilitate and expand cooperation and coordination among its 17 member departments and agencies to enhance information exchange and to improve interoperability among members. It will also continue to identify federal government actions in support of national and international marine security obligations, enhance effectiveness in delivering marine security initiatives and facilitate communication with other levels of government, the private sector and regional-based committees with interests in, or responsibilities for, marine security. Through its facilitation efforts, the IMSWG seeks to ensure that Canada's marine security initiatives are effective and efficient; leveraging the resources and expertise of numerous departments and agencies, without duplication of effort, towards one common goal: the security of the marine transportation system. To support this goal, the IMSWG will complete the development of its Horizontal Performance Framework for Marine Security with associated performance measures in 2008-2009.

Every year, Canada Port Authorities generate more than $20 billion worth of economic activity. They are responsible, directly or indirectly, for more than a quarter of a million jobs and they handle $100 billion worth of goods annually. The security at Canada's ports and marine facilities will be enhanced under the Marine Security Contribution Program that began in 2004-2005 as a three-year, $115 million commitment to assist ports and other marine facilities with security enhancements. In June 2006, the Government announced that the program would

be expanded to include domestic ferry operators and would also be extended by two years for all facilities other than Canada Port Authorities. In 2008-2009, the program will continue to fund projects to strengthen security at Canada's ports and marine facilities.

Effective marine security relies upon a compilation of sensor data and information gathered from departmental and open sources to create a marine centric picture. The function of the Marine Security Operations Centres (MSOC) is to enable departments and agencies to work collaboratively to collect and analyze information in an effort to develop a solid awareness in their area of responsibility with regard to transportation security in general but marine security specifically. By bringing together civilian and military interagency staff, the MSOC will provide a much clearer picture of the identification, intent and movement of vessels, personnel and cargo destined for, or already in, the maritime approaches to Canada. An integrated environment where consistent and timely information on vessels of interest to the Government of Canada can be quickly and efficiently compiled in the MSOC, will soon be in place to inform the appropriate decision makers. At present the core departments, Canada Border Services Agency, Canadian Coast Guard, Royal Canadian Mounted Police, Transport Canada and the Department of National Defence are working collectively to implement a concept of operations in order to develop an integrated marine picture.

Transport Canada will work closely with stakeholders to implement the Marine Transportation Security Clearance Program (MTSCP). The Marine Transportation Security Regulations were amended on November 30, 2006, to establish a risk-based program to ensure the security of persons at ports as well as the prevention of unlawful acts of interference with marine transportation, by ensuring that persons able to affect the security of the marine transportation obtain a security clearance. Over the coming year, operational guidelines and systems will be put in place to implement the MTSCP at major ports as per Phase II of the above regulations.

In 2008, TC proposes to initiate the regulatory process to develop amendments to the *Marine Transportation Security Regulations* (MTSR) to enhance domestic ferry security, establish certification requirements for Ships' Security Officers as required by the International Maritime Organization, and establish provisions for tall ships and other events of national significance. They include provisions to establish security exclusion zones, which will be required for the 2010 Olympics.

Rail and Urban Transit Security

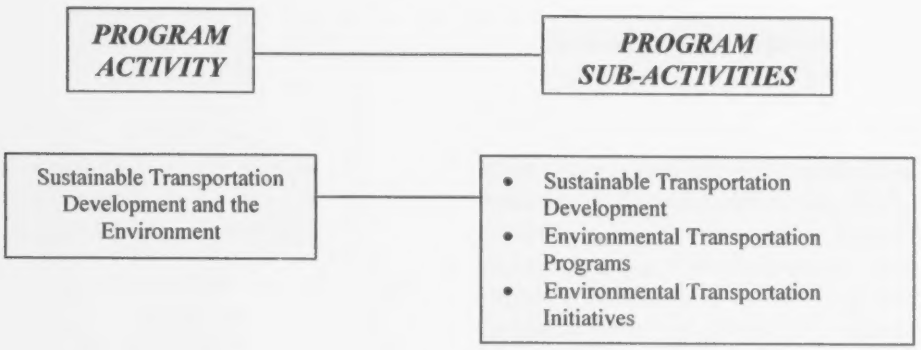
Working with its partners and stakeholders, Transport Canada will continue to develop a national policy framework for rail and transit security, in support of Canada's National Security Policy, and the responsibility of the Minister of Transport, Infrastructure and Communities for the overall security of the transportation network. Ensuring a robust rail and urban transit system requires collaboration, not only between a variety of federal departments and agencies, but also federal, provincial and municipal governments. Transport Canada will continue to facilitate intergovernmental cooperation and coordination.

In 2008-2009, Transport Canada will continue to implement the Transit-Secure Contribution program. This program provides financial assistance to passenger rail and urban transit operators

to accelerate the implementation of new and enhanced security measures. The program enhances the industry's ability to deliver sound security and emergency preparedness measures.

Transport Canada will maintain its engagement with operators and industry associations to build security awareness and promote the industry-led development of codes of practices for rail and urban transit security, to ensure that operators can adapt to changes in the security environment. To this end, the Minister of Transport, Infrastructure and Communities signed a revised MOU with the Railway Association of Canada in November 2007. Under the agreement, operators will develop security plans based on risk assessment, undertake security exercises and drills and report security incidents to Transport Canada. The agreement reflects the core principles and best practices of the railway industry. It is an important voluntary action by Railway Association of Canada members to enhance the security of rail operations.

2.1.3 Strategic Outcome: An environmentally responsible transportation system that contributes to Canada's sustainable development objectives



Financial Resources ($ thousands)

2008-2009	2009-2010	2010-2011
201,931	82,742	65,112

Human Resources (Full time equivalents)

2008-2009	2009-2010	2010-2011
337	272	259

The Sustainable Transportation Development and the Environment Program Activity encompasses the development and implementation of programs and policies to protect the natural environment and to achieve a more sustainable transportation system in Canada.

Transportation activities provide many economic and social benefits. They can also have significant environmental consequences, which in turn have social and economic repercussions. The demand for transportation fuels, and consequently the level of emissions, is a function of current transportation infrastructure, vehicles, geography (long distances and urban settlement patterns) and weather, as well as the cost of fuels themselves. The challenge is to find a way to de-link the growth in population, economic activity and transportation demand on the one hand, from fuel consumptions and emissions growth on the other.

Freight transportation makes a significant contribution to the Canadian economy both in terms of its actual share of economic activity and through the enabling role that it plays in moving products to market. Growth in trade and changes in patterns of freight activity such as just-in-time delivery models, are leading to significant increases in activity in all modes. Overall,

domestic freight movement by trucks is expected to increase by 29 per cent between 2005 and 2020 and other modes will likely experience an increase in their activity levels over this period as well.

Multiple factors from passenger and freight transportation affect the interplay with the environment, specifically in urban areas, where about 80 per cent of Canadians reside. Air quality is a concern as there are social, economic and environmental impacts that accompany it. Greenhouse gas emissions reduction also remains a challenge for Canada and the transportation sector. In 2005, about 27 per cent of greenhouse gas emissions in Canada came from the transportation sector; about two-thirds of which are generated in urban areas. In 2005, transportation accounted for about 51 per cent of all NO_X emissions, 62 per cent of carbon monoxide, 23 per cent of VOCs, three per cent of sulphur oxides and five per cent of particulate matter ($PM_{2.5}$) – the major constituents of urban smog.

Effective sustainable transportation decision-making necessitates that the environment be considered alongside economic and social factors. Environmental impacts from transportation include air, water and noise pollution, greenhouse gas emissions and the loss of agriculture land and wildlife habitat. These stresses are caused by various activities such as:

- construction of infrastructure;
- airport and port operation;
- road system operation and maintenance;
- production, operation, maintenance and disposal of vehicles; and
- consumption of energy.

Transport Canada will take an integrated and comprehensive approach to developing and managing policies and programs designed to promote sustainable transportation and support the Government's environmental agenda. As sustainable transportation and the environment are a shared responsibility, the department will work with its partners and stakeholders, including the general public, the transportation industry, other federal government departments, provinces and territories, and municipalities as well as international organizations.

For 2008-2009, an important area of focus will be on clean air and climate change. Under the Clean Air Regulatory Agenda and complementary clean transportation initiatives, the federal government will implement measures to reduce the emissions of both air pollutants and greenhouse gases from the transportation sector.

Transport Canada will continue to improve the collection, dissemination and analysis of sustainable transportation information in all modes. This includes the development of new data and analytical tools to improve decision-making and build upon Transport Canada's capacity to deliver policy analysis and develop advice on environment and sustainable development issues related to transportation. This will include developing analytical frameworks and/or conducting studies useful to develop these frameworks on critical environmental issues to improve decision-making. The development of analytical tools will improve assessment of climate change and clean air mitigation options, cost and impact, including co-benefits such as congestion reduction benefits, when suitable. Other important elements include advancing new technologies in

support of sustainable transportation and investigating opportunities related to research and development for sustainable transportation.

In general, the indicators below are used to track progress in promoting sustainable transportation development and the environment.

Program Activity	Expected Results	Performance Indicators	Departmental Program Priorities
Sustainable Transportation Development and the Environment	• Increased environmental sustainability of Canada's transportation system and Transport Canada operations	• Percentage of Sustainable Development Strategy targets • Various indicators of environmental sustainability, such as: o Levels of air pollution and GHG emissions from the transportation sector and Transport Canada operations o Number of marine pollution incidents detected o Number of Transport Canada contaminated sites that have undergone remediation or risk management o Number of project environmental assessments completed	• Climate Change and clean air • Environmental assessment

2.1.3.1 Key Programs And Initiatives in support of the Program Activity Sustainable Transportation Development and the Environment

The information that follows lists key programs and initiatives with expected results that together are focussed towards the successful attainment of the program activity objectives.

Transport Canada tabled its fourth successive three-year Sustainable Development Strategy (SDS) on December 13, 2006. For this strategy, Transport Canada chose to focus on three themes at the heart of sustainable transportation: urban transportation; commercial freight transportation and marine transportation.

Over the 2008-2009 fiscal year, the department will implement the commitments and targets that are set out for the 2007-2009 Sustainable Development Strategy (see SDS Table 2 for details on 2008-2009 commitments). A new element of the 2007-2009 SDS is a commitment to establish an internal SDS Fund of up to $1 million per year for the three years of the SDS. The Fund will support innovative projects that make significant contributions to sustainable transportation and approved projects will be considered SDS commitments. Projects for the 2008-2009 fiscal year will be selected in early 2008.

Transport Canada, in its SDS 2007-2009, has included a key challenge involving the improvement of environmental management on Transport Canada lands and in their operations. The department has met this continuing challenge through its Environmental Management System (EMS). The EMS helps the department better understand the nature of the environmental impacts of its operations and lands. It has led to the development of programs and initiatives in the areas of site remediation, and environmental protection. In 2008-2009, the EMS will continue to aid in prioritizing the department's environmental aspects while ensuring that its activities are carried out in an environmentally responsible manner.

For more information on SDS, please visit:
http://www.tc.gc.ca/programs/Environment/SD/menu.htm

Regulatory Actions

Under the Clean Air Regulatory Agenda, the government is pursuing appropriate regulatory action throughout the transportation system including the off-road motor vehicle, engine, rail, marine and aviation sectors.

Vehicles

On April 5, 2005, the Government of Canada and the Canadian automobile industry signed an agreement to act on climate change. Under the agreement, carmakers will voluntarily work to reduce annual greenhouse gas emissions from light-duty vehicles by 5.3 Megatonnes (Mt) in 2010. The agreement reached gives consumers fuel-saving choices, focuses on immediate action to achieve greenhouse gas reductions and provides a cost-effective solution for government, industry and consumers.

A joint government-industry monitoring committee has been established to track the Canadian automotive industry's performance under this MOU. Transport Canada, Environment Canada and NRCan are represented on this committee. Emissions reductions will be monitored year by year, with interim goals in the years leading up to 2010. The annual reports from the committee will be available to the public as well as the MOU.

For more information on the MOU and the reports, please visit:
http://www.oee.nrcan.gc.ca/transportation/ghg-memorandum/index.cfm

In addition, the Government of Canada will establish an ambitious mandatory fuel-efficiency standard, beginning with the 2011 model year. These new regulations will be developed and implemented under the *Motor Vehicle Fuel Consumption Standards Act*. The government recognizes that the auto industry operates in an integrated North American market. The government will establish a standard that is achievable within the North American market and that will ensure sustained reductions in greenhouse gas emissions.

Rail

Transport Canada and Environment Canada will support the implementation of a MOU with the Railway Association of Canada that aligns railway practices with U.S. air pollution standards and ensures that the rail industry continues to improve its greenhouse gas emission performance between 2006 and 2010. Transport Canada will develop and implement new regulations to limit railway emissions under the *Railway Safety Act*, to take effect in 2011 when the MOU expires.

Marine

Transport Canada will continue its discussion with the Canadian marine transport industry on the establishment of a Memorandum of Understanding (MOU) to limit greenhouse gas and air pollutant emissions from marine transportation.

Transport Canada has adopted current international standards established by the IMO for controlling emissions of air pollutants from ships and, with Environment Canada, is supporting the development of new, stricter international standards. Transport Canada will continue to consider the application of new international standards domestically under the *Canada Shipping Act, 2001*. The department will also continue to work with Environment Canada and other partners in the IMO to explore the feasibility of establishing Sulphur Emissions Control Areas on Canada's coasts.

Aviation

Canada is the first country in the world to have negotiated a MOU with its aviation industry to reduce emissions of greenhouse gases from aviation sources. The agreement sets a clear and measurable annual fuel efficiency target that will achieve a cumulative reduction in greenhouse gas emissions of 24 per cent by 2012, relative to 1990 levels.

The government continues to support harmonized international efforts to limit or reduce both domestic and international aviation emissions of both greenhouse gases and air pollutants. Transport Canada supports the work of ICAO to develop international standards and recommended practices for the reduction of greenhouse gas and air pollutant emissions from aviation sources. These standards and recommended practices will be considered in the development of domestic regulations under the *Aeronautics Act.*

ecoTRANSPORT Strategy

Transport Canada will implement a number of existing and new clean transportation initiatives and programs to reduce air pollutants and greenhouse gas emissions. These initiatives complement and support the department's regulatory actions in the transportation sector.

Announced in February 2007, the ecoTRANSPORT Strategy is part of the Government of Canada's ambitious agenda to protect the environment and the health of Canadians and to further our economic prosperity. Transport Canada is leading in this strategy, which is a horizontal initiative with clean transportation programs that will be delivered through Transport Canada, NRCan, and Environment Canada.

These programs will foster the implementation of clean technologies for personal vehicles and freight carriers across all modes, and expand the range of sustainable transportation options for individual Canadians. The programs will work with businesses, governments, industry associations and with Canadian consumers to reduce the environment impact of the transportation sector through demonstrations, pilot projects, showcasing of alternatives and capacity building. Transport Canada's programs are described below.

The ecoAUTO Rebate Program provides performance-based rebates to consumers who purchase new fuel-efficient vehicles. Coupled with a Green Levy to discourage the purchase of fuel-inefficient vehicles (administered by Finance Canada and the Canada Revenue Agency), this program is intended to reduce vehicle fuel consumption, with commensurate greenhouse gas emission reductions.

The ecoTECHNOLOGY for Vehicles Program will showcase the cleanest and most advanced vehicle technologies from around the world, across Canada, in order to raise awareness and help provide Canadians with the facts they need for more environmentally-sustainable vehicle purchases in the future. In 2008-2009, the program will continue working closely with the auto industry and will explore the barriers to introduction of advanced vehicle technologies into the Canadian market.

The ecoFREIGHT Program features a suite of complementary initiatives to accelerate the adoption of fuel efficient and lower-emissions technologies in the freight sector. The demonstration fund supports the testing and measurement of new and underused freight transportation technologies in real world conditions. The incentive program supports the purchase and installation of proven emission-reducing technologies. In 2008-2009, these two freight technology programs will conduct several rounds of funding and support the initiation of a range of technology projects. In addition, a marine shore power demonstration will be initiated

on the use of shore-based power for marine vessels to reduce emissions from idling ships in Canadian ports.

The ecoMOBILITY program will work with municipalities across Canada to develop transportation demand management measures that can encourage a modal shift towards more sustainable transportation options and reduce emissions in urban areas. This will build on Transport Canada's work with municipal and regional governments to demonstrate innovative and integrated approaches to reducing greenhouse gas emissions from the urban passenger sector through the Urban Transportation Showcase Program. Under this program, showcase demonstrations are encouraging modal shifts away from single occupancy vehicles by offering residents a wider variety of sustainable transportation options. The lessons from these demonstrations and from other successful Canadian case studies are being disseminated to encourage broader uptake of the successful approaches. In 2008-2009, Transport Canada will work with its partners to develop options to renew this program, continue to support existing demonstration projects and share the lessons-learned and results through the Program's Information Network.

Transport Canada's Moving on Sustainable Transportation (MOST) program has funded innovative, smaller-scale projects to expand the range of sustainable transportation options for Canadians since 1999. The program was renewed for another five years in 2007-2008. In 2008-2009, the department will continue to implement this program so as to improve air quality and health and realize other benefits by supporting the work of non-profit organizations across Canada.

For more information, consult: http://www.tc.gc.ca/programs/environment/ecotransport/menu-eng.htm.

Environmental Assessment

Transport Canada activities around Environmental Protection and Remediation efforts continue to achieve success. However, the Environmental Assessment workload associated with the implementation of the *Canadian Environmental Assessment Act* has increased significantly in recent years. In particular, a recent federal court decision together with numerous projects requiring *Navigable Waters Protection Act* approval have introduced new complexities into how Transport Canada screens projects triggered by the Act. Although some procedural and management efficiencies have been identified to streamline the department's environmental assessment regime, current and anticipated demand will more than offset any efficiency gains.

During 2007-2008, the interdepartmental Director General level Environmental Assessment Projects Committee continued the implementation of the interim approach to scoping (which may be in place until the *Canadian Environmental Assessment Act* can be amended in 2010) and an interim approach for engaging with aboriginal peoples in the environmental assessment of projects (which will be in place until a federal government policy is implemented).

As previously referenced in Section 2.1.2.1, Budget 2007 provided $150 million over five years to create a Major Projects Management Office (MPMO) that is being established by NRCan.

The office should be operational in early 2008 and aims to improve the accountability, transparency, timeliness and predictability of the federal regulatory system. The objective is to improve the performance of the federal regulatory system for major natural resource projects; in this context, defined as those resource projects requiring a comprehensive environmental assessment, a panel review or a large or complex multi-jurisdictional screening as defined by the *Canadian Environmental Assessment Act*. In 2008-2009, the department will continue to review procedures, implement measures to improve efficiency, apply risk management measures and develop guidance documents to deliver the environmental assessment program in the most efficient manner without compromising the high quality of the environmental assessments completed.

SECTION III – SUPPLEMENTARY INFORMATION

Table 1: Departmental link to the Government of Canada Outcomes

Strategic Outcome: **An efficient transportation system that contributes to Canada's economic growth and trade objectives**					
		Planned Spending ($ thousands)			**Alignment to Government of Canada Outcome Area**
Program Activity	**Expected Results**	**2008-2009**	**2009-2010**	**2010-2011**	
Transportation Policy Development and Infrastructure Programs	• Long-term sustainable funding and accountability framework for transportation infrastructure • Strengthened Canadian competitiveness in international markets • Legislative and policy frameworks that support free market forces with government intervention targeted to situations where market forces are insufficient	521,681	640,304	612,404	A fair and secure market-place
Strategic Outcome: **A safe and secure transportation system that contributes to Canada's social development and security objectives**					
Transportation Safety and Security	• Continuous improvement in transportation safety and security • Public confidence in Canadian transportation safety and security	612,696	528,769	492,648	Safe and secure communities
Strategic Outcome: **An environmentally responsible transportation system that contributes to Canada's sustainable development objectives**					
Sustainable Transportation Development and the Environment	• Increased environmental sustainability of Canada's transportation system and Transport Canada operations	201,931	82,742	65,112	Strong economic growth

Table 2: Sustainable Development Strategy

Transport Canada's *Sustainable Development Strategy 2007-2009* responds to key issues and focuses on areas where the department can make a real difference towards achieving sustainable transportation. The department has chosen to focus its efforts on three themes at the heart of sustainable transportation: urban transportation; commercial freight transportation; and marine transportation. Key issues and a response plan have been developed for each theme.

The strategy includes an action plan, which is structured around seven strategic challenges:

1) Encourage Canadians to make more sustainable transportation choices;
2) Enhance innovation and skills development;
3) Increase system efficiency and optimize modal choices;
4) Enhance efficiency of vehicles, fuels and fuelling infrastructure;
5) Improve performance of carriers and operators;
6) Improve decision-making by governments and the transportation sector; and
7) Improve management of Transport Canada operations and lands.

For each strategic challenge, Transport Canada has outlined the sustainable development commitments, targets and performance measures the department will use to measure the success.

For further information on Transport Canada's updated sustainable development strategy, visit: http://www.tc.gc.ca/programs/Environment/SD/menu.htm.

Federal SD Goal including GGO goals (if applicable)	**Performance Measurement from current SDS**	**Department's Expected Results 2008-2009**
Challenge 1: Encourage Canadians to make more sustainable transportation choices http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge1.htm		
1.3 Green Commute		
Goal 3 - Reduce greenhouse gas emissions. Goal 4 - Sustainable Communities – Communities enjoy a prosperous economy, a vibrant and equitable society, and a healthy environment for current and future generations.	• The number of workshops delivered and their outcomes. • The number of federal policies reviewed and/or amended.	Provide support to enable commuter options within other federal departments and agencies across Canada by: • Delivering three commuter options workshops per year to interested public and private employers, beginning in 2007-2008. • By 2008-2009, work with federal partners to amend existing policies to enable reduction of single occupancy vehicle trips. Examples include parking and accommodation policy.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
1.4 Explore Use of Economic Measures		
Goal 2 - Clean Air – Clean air for people to breathe and ecosystems to function well. Goal 3 - Reduce greenhouse gas emissions. Goal 6 - Strengthen federal governance and decision making to support sustainable development.	• Number of consultations conducted.	Transport Canada will work with partners to explore the use of market incentives to increase the production and purchase of environmentally friendly motor vehicles, ongoing between 2007-2008 and 2009-2010. • Consult with stakeholders, including motor vehicle industry NGOs, alternate energy producers and the academic community about design options and administration / implementation issues ongoing between 2007-2008 and 2009-2010.
Challenge 2: Enhance innovation and skills development http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge2.htm		
2.1 Skills Development in the Transportation Sector		
	• Number of jurisdictions that agree to distribute compendium electronically to stakeholders. • Number of provincial/territorial jurisdictions in regular dialogue with Transport Canada regarding transportation skills development issues. • Number of teleconference/ meetings with federal/provincial / territorial jurisdictions to discuss skills development issues.	From 2007-2008- 2009-2010, Transport Canada will work in cooperation with stakeholders in the public and private sectors, including sector councils, to raise the profile of the transportation sector careers, and to act as a catalyst for the exchange of ideas, expertise, and experience in transportation skills development. • Ongoing cooperation with federal-provincial-territorial jurisdictions to produce tools (including a compendium) for the transportation stakeholders to use in identifying and implementing strategic responses to skills development challenges.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
2.2 Climate Change Impacts and Adaptation		
Goal 3 - Reduce greenhouse gas emissions.	• Usefulness of study results in understanding climate change impacts and adaptation. (Subject to funding).	• Subject to the availability of funds, and depending upon the recommendations of the preliminary assessment, increase the understanding and knowledge of the occurrence of permafrost and of the thermal regime in order to assess the vulnerability of the landing strip (Kuujuuaq Airport) to forecasted climatic changes over the next 20 years, 2008-2009.
Challenge 3: Increase system efficiency and optimize modal choices http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge3.htm		
3.1 Intelligent Transportation Systems (ITS)		
Goal 3 - Reduce greenhouse gas emissions.	• Number of deployment projects funded. • Number of R&D projects funded. • Number of agreements signed with partners.	Beginning in 2007-2008, Transport Canada will work with partners to build on the successes of previous investments in intelligent transportation systems. Projects to be funded will include those involving research, development and deployment of ITS that, in turn, will lead to further system integration and that will promote greater efficiency, safety, security and sustainability of the transportation system. • Funding to be provided for research, development and deployment projects in each of fiscal years 2007-2008, 2008-2009 and 2009-2010.
3.2 Promote Shortsea Shipping		
	• Targeted shortsea shipping initiatives. • Completion of studies in key areas of policy, markets, trade, urban transportation and sustainability.	• Raise the profile of shortsea shipping in North America, ongoing between 2007-2008 and 2009-2010. • Enhance understanding of the viability of shortsea shipping, its benefits, and barriers to implementation, ongoing between 2007-2008 and 2009-2010.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
3.3 Quebec City – Windsor Corridor Modal Choice Study		
	• Expert recognition of quality of model from within and outside government (robustness of estimates, predictive capacity, etc.).	Transport Canada will complete a study of the Quebec City – Windsor Corridor by 2008-2009, with the goal of building a better understanding of modal choices in Canada's busiest transportation corridor. This will involve developing models to analyze the impact of potential policy decisions on freight and passenger modal choice decisions in the Quebec-Windsor Corridor. • Development and calibration of passenger modal choice model by 2008-2009.
Challenge 4: Enhance efficiency of vehicles, fuels and fuelling infrastructure. http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge4.htm		
4.1 Promote Advanced Technology Vehicles		
Goal 2 - Clean Air – Clean air for people to breathe and ecosystems to function well. Goal 3 - Reduce greenhouse gas emissions.	• Number and type of vehicles and technologies tested with results presented in various report formats. • Number and type of activities attended throughout the year.	• Evaluate the performance of advanced technology vehicles on an annual basis. • Conduct activities to raise public awareness on an annual basis that also allows program information to be disseminated.
4.2 Motor Vehicle Fuel Consumption		
Goal 2 - Clean Air – Clean air for people to breathe and ecosystems to function well. Goal 3 - Reduce greenhouse gas emissions.	• Timely data collection from all manufacturers • Audit and verification of data. • Annual reporting of results.	• Collect, verify and report on fuel consumption of new vehicles, on an annual basis. • Maintenance of the Vehicles Fuel Economy Information System (VFEIS) database, on an ongoing basis.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
4.3 Reduction of Emissions from the Rail Industry		
Goal 2 - Clean Air – Clean air for people to breathe and ecosystems to function well. Goal 3 - Reduce greenhouse gas emissions.	• Reductions in emissions achieved due to the Memorandum of Understanding.	• Work with the Railway Association of Canada and Environment Canada to fully implement the commitments negotiated under the Memorandum of Understanding, between 2006-2007 and 2009-2010.
Challenge 5: Improve performance of carriers and operators. http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge5.htm		
5.1 Promote Best Practices for Environmental Management in the Transport Sector		
Goal 1 - Water – Clean and secure water for people, marine and freshwater ecosystems. Goal 2 - Clean Air – Clean air for people to breathe and ecosystems to function well. Goal 3 - Reduce greenhouse gas emissions.	• Harmonization of international reduction efforts as evidenced by the ratification of international regulations of emission reductions and codes of practices and guidelines endorsed by international bodies. • Published findings of Airports Cooperative Research Panels.	• Increase harmonization of international emission reduction efforts through Transport Canada participation in international forums such as ICAO, IMO, etc. by 2008-2009. • With the U.S. Government, under the National Academy of Sciences' Transportation Research Board, participate on the Airports Cooperative Research Panel to study and assess environmental impacts from airport activities and develop mitigative strategies by 2008-2009.
5.2 Marine Sector Pollution Control		
Goal 1 - Water – Clean and secure water for people, marine and freshwater ecosystems.	*Further Examination of SECA* • Sulphur emission levels. *Ballast Water Management* • Number of systems	*Further Examination of SECA* • Develop an inventory of sulphur emissions from ships, by 2008-2009. *Ballast Water Management* • To assist in the development and approval of shipboard treatment systems capable of meeting

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
	developed and approved. *Hazardous and Noxious Substances (HNS) spill response regime* • Number of regulations and standards developed. • Effectiveness of national HNS incident response framework. *Ship Waste Management* • Improvements to waste reception at ports. *National Aerial Surveillance Program* • Number of pollution patrol hours flown in each Region - per month, per year. • Number of ship source pollution incidents and number of mystery spills detected - per mission, per month, per year. • Number of vessels visually	international performance standards by 2007-2008. *HNS spill response regime* • Develop the legislative structure required to put a HNS regime in place together with the necessary regulations and standards starting in 2007-2008. • Create the required HNS response mechanism to provide a nationally consistent method of responding to, and managing the response to marine HNS incidents and spills from ships and during the loading and unloading of ships at chemical handling facilities starting in 2007-2008. *Ship Waste Management* • Finalize a program to improve the provision of shore side waste reception in ports by 2008-2009. *National Aerial Surveillance Program* • Continue to increase the effectiveness of the National Aerial Surveillance Program (NASP) by increasing the frequency of patrols and expanding surveillance to areas not normally patrolled, such as the Arctic. • Improve capability for observing, detecting and reporting illegal discharges and identifying the vessels that are responsible for polluting Canada's marine environment. By 2007-2008, Transport Canada's modernized Moncton-based Dash 8 aircraft will be fully operational with trained crews and by 2008-2009, an

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
	observed and number identified by the aircraft's Automatic Identification System – per hour, per mission, per month, per year. • Number of prosecutions resulting from NASP pollution patrols – per year.	identical capability will be implemented on the West Coast.
Challenge 6: Improve decision-making by governments and the transportation sector. http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge6.htm		
6.1 Transportation Data and Information		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.	• Identification of the major data gaps and development of a strategy to address them.	• Conduct, on a regular basis, assessments to identify the most important data gaps with regards to transportation activity and energy use for all modes, between 2006-2007 and 2009-2010.
6.2 Understanding Economic, Social and Environmental Costs of Transport		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.	• Better sense of priorities in assessing the relative importance of each cost element.	• Transport Canada will lead the development of an environmental analytical framework, by 2008-2009 to estimate the impact of various transportation-related environmental policies and instruments. This initiative includes the evaluation of the costs of the following emissions: clean air (CO, PM2.5, PM10, NOX, VOCs, O3, SO2), GHGs and noise. The emphasis is on human health impacts.
	• Release of synthesis report.	• To have a synthesis report made available to the public by 2008-2009.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
6.3 Funding for Sustainable Development Initiatives		
	• Number of projects funded and total investment. • Results of specific projects, including relevant improvements to environmental quality.	• In 2006-2007, Transport Canada will establish an internal sustainable development strategy fund of up to $ 1 million/year for three years for innovative projects that make significant contributions to sustainable transportation. Approved projects will be considered SDS commitments. • Beginning in 2006-2007, select projects for funding on an annual basis in accordance with established criteria. • Implement approved projects, beginning in 2007-2008.
Challenge 7: Improve management of Transport Canada operations and lands. http://www.tc.gc.ca/programs/Environment/SD/sds0709/challenge7.htm		
7.1 Transport Canada Environmental Management System		
Goal 1 - Water – Clean and secure water for people, marine and freshwater ecosystems. Goal 3 - Reduce greenhouse gas emissions. Goal 4 - Sustainable Communities enjoy a prosperous economy, a vibrant and equitable society, and a healthy environment for current and future generations. Goal 5 - Sustainable development and use of natural resources. Goal 6 - Strengthen federal governance and decision making to support sustainable development.	• Level of conformance with the environmental management system framework.	• Conformance with the environmental management system framework (see Appendix B of the sustainable development strategy) by 2009-2010.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
Building Energy *Goal:* To be a leader in the reduction of greenhouse gas and other air emissions through the optimization of energy efficiency and conservation, and the implementation of renewable energy technologies. **Vehicle Fleet** *Goal:* To be a leader in fleet management, so that planning, acquiring, managing and disposing of vehicles minimize negative effects on the environment. **Green Procurement –** *Goal:* To be a leader by integrating environmental performance considerations into procurement including planning, acquisition, use and disposal.		
Part 7: From Words to Work http://www.tc.gc.ca/programs/Environment/SD/sds0709/wordstowork.htm		
Policy		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.		• Transport Canada will develop and obtain senior management approval of an ISO-compliant Sustainable Development Policy Statement, by 2008-2009. • Transport Canada will highlight key 2007-2009 SDS commitments, targets and indicators in the department's annual *Report on Plans and Priorities*. • Transport Canada recognizes that the support of the department's

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
		senior management is critical. The department will undertake to ensure that the accountability accords of those senior managers responsible for implementing specific actions in the strategy reflect their respective 2007-2009 SDS commitments.
Planning		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.		• Transport Canada will continue to hold regular meetings (for the 2007-2008 & 2009-2010 period) of the department's internal Sustainable Development Strategy Committee to oversee and coordinate implementation of the strategy, and to provide a forum for sharing sustainable development information and best practices across departmental groups and regions.
Implementation and operation		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.		• Transport Canada will undertake a review of training and competency needs for staff involved in the implementation of sustainable development commitments and objectives, by 2008-2009. The department will develop and implement a training plan to ensure that Transport Canada sustainable development training courses (including the department's Sustainable Development Capacity Course) are available as required. • Transport Canada will also join with other government departments and the Canada School of Public Service to design and deliver Government of Canada Sustainable Development training material. Delivery to begin in 2007-2008.

Federal SD Goal including GGO goals (if applicable)	Performance Measurement from current SDS	Department's Expected Results 2008-2009
Checking and corrective action		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.		• A status report on sustainable development commitments, targets and performance measures will be included in the department's annual *Departmental Performance Report*. • Transport Canada will produce an annual SDS Progress Report, supplemental to the departmental performance report. The results of this report will be presented annually to Transport Canada's senior management committee.
Management review		
Goal 6 - Strengthen federal governance and decision making to support sustainable development.		• Transport Canada will conduct a review of its sustainable development strategy every three years — the next taking place in 2008-2009. • Transport Canada will engage its external National Advisory Group, beginning in 2008-2009, to provide strategic direction on the department's sustainable development priorities, review progress of strategy implementation, and make recommendations pertaining to review findings.

Electronic Tables

The following tables were submitted electronically. The electronic tables can be found on the Treasury Board Secretariat's website at http://www.tbs-sct.gc.ca/est-pre/20082009/p3a_e.asp.

- Details on Transfer Payments Programs
- Evaluations
- Green Procurement
- Horizontal Initiatives
- Internal Audits
- Progress toward the department's regulatory plan
- Services Received Without Charge
- Sources of Respendable and Non-respendable Revenue
- Summary of Capital Spending by Program Activity

SECTION IV – OTHER ITEMS OF INTEREST

4.1 Our Offices

TRANSPORT CANADA HEADQUARTERS

Web site:
http://www.tc.gc.ca/en/menu.htm

Mailing Address:
Transport Canada
Place de Ville, Tower C
330 Sparks Street
Ottawa, Ontario
K1A 0N5

General Enquiries:
Telephone: 613-990-2309
Fax: 613-954-4731

Library and Research Services Centre:
Telephone: 613-998-5128

TRANSPORT CANADA OFFICES

Web site:
http://www.tc.gc.ca/en/offices/menu.htm

TRANSPORT CANADA REGIONAL OFFICES

Atlantic Region
95 Foundry Street
Moncton, New Brunswick
E1C 8K6
Telephone: 1-800-387-4999

Quebec Region
700 Leigh Capreol
Dorval, Quebec
H4Y 1G7
Telephone: 514-633-2714

Ontario Region
4900 Yonge Street
Toronto, Ontario
M2N 6A5
Telephone: 416-952-0230

Prairies and Northern Region
344 Edmonton Street
Winnipeg, Manitoba
R3C 0P6
Telephone: 204-983-3152

Pacific Region
620-800 Burrard Street
Vancouver, British Columbia
V6Z 2J8
Telephone: 604-666-3518

4.2 Key Links for More Information

Asia-Pacific Gateway and Corridor Initiative at
http://www.tc.gc.ca/majorissues/APGCI/menu.htm

Atlantic Gateway at http://www.tc.gc.ca/GatewayConnects/Atlantic/AtlanticGateway.html

Building Canada Plan at http://www.buildingcanada-chantierscanada.gc.ca/index-eng.html

Canada Strategic Infrastructure Fund (CSIF) and Border Infrastructure Fund (BIF) at
http://www.infrastructure.gc.ca/ip-pi/index_e.shtml

Canadian Ballast Water Program (The) at
http://www.tc.gc.ca/marinesafety/oep/environment/ballastwater/menu.htm

ecoFREIGHT at http://www.tc.gc.ca/programs/environment/ecofreight/menu-eng.htm

ecoMOBILITY at http://www.tc.gc.ca/programs/environment/ecomobility/menu-eng.htm

ecoTECHNOLOGY for Vehicles Program at
http://www.tc.gc.ca/programs/environment/etv/menu-eng.htm

EcoTRANSPORT at http://www.tc.gc.ca/programs/environment/ecotransport/menu-eng.htm

Health of the Oceans Initiative at http://www.tc.gc.ca/mediaroom/releases/nat/2007/07-h185e.htm#bg

Management Accountability Framework of TBS at http://www.tbs-sct.gc.ca/maf-crg/index_e.asp

Management, Resources and Results Structure Policy at http://www.tbs-sct.gc.ca/rma/mrrs-sgrr_e.asp

Moving Forward - Changing the safety and security culture - A strategic direction for safety and security management at http://www.tc.gc.ca/tcss/StrategicPlan/menu.html

National Aerial Surveillance Program at http://www.tc.gc.ca/marinesafety/oep/ers/nasp.htm

National Policy Framework for Strategic Gateways and Trade Corridors at
http://www.tc.gc.ca/GatewayConnects/NationalPolicyFramework/nationalpolicy.html

Ontario-Quebec Continental Gateway and Trade Corridor Initiative at
http://www.tc.gc.ca/GatewayConnects/Ontario-Quebec/Ontario-Quebec.html

Railway Safety Management Systems at http://www.tc.gc.ca/railway/smsindex.htm

Transportation of Dangerous Goods Act, 1992, more information on the review of the act can be found at http://www.tc.gc.ca/tdg/consult/actreview/menu.htm

Transport Canada's Sustainable Development Strategy 2007-2009 at http://www.tc.gc.ca/programs/environment/sd/sds0709.htm

TC Environmental Assessments at http://www.tc.gc.ca/programs/environment/environmentalassessment/menu.htm

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